



CITY OF ALBION CITY COUNCIL MEETING AGENDA

Meetings: First and Third Mondays – 7:00 p.m.

City Council Chambers ♦ Second Floor ♦ 112 West Cass Street ♦ Albion, MI 49224

COUNCIL-MANAGER
GOVERNMENT

Council members and
other officials normally in
attendance.

AGENDA

COUNCIL MEETING

Joseph V. Domingo
Mayor

Maurice Barnes, Jr.
Council Member
1st Precinct

Lenn Reid
Council Member
2nd Precinct

Garrett Brown
Council Member
3rd Precinct

Rebecca Decker
Council Member
4th Precinct

Cheryl Krause
Council Member
5th Precinct

Andrew French
Mayor Pro Tem
Council Member
6th Precinct

Sheryl L. Mitchell
City Manager

The Harkness Law Firm
Atty Cullen Harkness

Jill Domingo
City Clerk

NOTICE FOR PERSONS WITH
HEARING IMPAIRMENTS
WHO REQUIRE THE USE OF A
PORTABLE LISTENING DEVICE

Please contact the City
Clerk's office at
517.629.5535 and a listening
device will be provided
upon notification. If you
require a signer, please
notify City Hall at least five
(5) days prior to the posted
meeting time.

Monday, November 7, 2016

7:00 P.M.

PLEASE TURN OFF CELL PHONES DURING MEETING

- I. CALL TO ORDER
- II. MOMENT OF SILENCE TO BE OBSERVED
- III. PLEDGE OF ALLEGIANCE
- IV. ROLL CALL
- V. MAYOR AND COUNCIL MEMBER'S COMMENTS
- VI. PRESENTATIONS
 - A. Proclamation-The Centennial, Albion & The Great Migration
 - B. Introduction of Public Safety Officer Aaron Phipps
 - C. Introduction of Amy Deprez, President & CEO, Albion EDC
- VII. CITIZEN'S COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than five (5) minutes. Proper decorum is required.)
- VIII. CONSENT CALENDAR (VV)
(Items on Consent Calendar are voted on as one unit)
 - A. Approval Study Session Minutes, October 17, 2016
 - B. Approval Regular Session Minutes, October 17, 2016
 - C. Approval Study Session Minutes-October 20, 2016
 - D. Approval Study Session Minutes, October 24, 2016
- IX. ITEMS FOR INDIVIDUAL DISCUSSION
 - A. Request Approval Resolution # 2016-63, A Resolution Approving an Amendment to the Albion District Library Agreement Pursuant to Public Act 24 of 1989 (RCV)



CITY OF ALBION

CITY COUNCIL MEETING AGENDA

Meetings: First and Third Mondays – 7:00 p.m.

City Council Chambers ♦ Second Floor ♦ 112 West Cass Street ♦ Albion, MI 49224

- B. Discussion/Approval Revised Albion Trust Agreement (RCV)
- C. Discussion/Consideration of the Single Hauler Proposal (RCV)
- D. Request Approval 2017 Council Dates (VV)
- E. Request Approval Resolution # 2016-64, A Resolution in Support of SB1127, Universal Tax Withholding 9RCV)
- F. Request Approval Resolution # 2016-65, A Resolution to Approve Albion Department of Public Safety Lease of Vehicle with Ford Credit (RCV)
- G. City Manager Report
- H. Future Agenda Items
- I. Motion to Excuse Absent Council Member(s)
- X. **CITIZENS COMMENTS** (Persons addressing the City Council shall limit their comments to no more than five (5) minutes. Proper decorum is required.)
- XI. **ADJOURN**



CITY OF ALBION
Office of the City Manager
Sheryl L. Mitchell

112 West Cass Street ♦ Albion, MI 49224
517.629.7172 ♦ smitchell@cityofalbionmi.gov

MEMO

TO: Honorable Mayor and City Council
FR: Sheryl L. Mitchell, City Manager
DA: November 7, 2016
RE: Council Items and City Manager's Report

Council Agenda Items:

- A. **Request Approval Resolution #2016-63. A Resolution Approving an Amendment to the Albion District Library Agreement Pursuant to Public Act 24 of 1989.** The Albion District Library Agreement became effective April 1, 2007 with the participating communities of the City of Albion, Albion Township, and Albion Public Schools. The Albion School district was annexed by Marshall Public schools effective July 1, 2016. The Agreement needs to be amended to formally recognize Marshall Public Schools as the successor organization and their ability to appoint members to the District Library Board. The Agreement has been reviewed by Albion's legal counsel. City Manager recommends adoption.
- B. **Discussion/Approval Revised Albion Trust Agreement.** The City Council adopted the Addendum to the City of Albion Citizens Housing Facility Trust (Albion Trust), to extend the expiration date from October 23, 2016 to November 30, 2016, to allow an opportunity to address some of Council's questions. The new Agreement terminates the Trust in 12 years, unless otherwise extended. The terms of the 3 Trustees are initially staggered – 1 year, 2 years, 3 years and subsequent terms are for 3 years each. The subsequent (re)appointments will be made by City Council. An elected official or current employee of the City of Albion becomes eligible for appointment after 2 years. The aggregate amount of the principal is \$1.05 million and includes Albion Building Authority Bonds (Senior Citizens Housing and the Joint Ambulance and Fire Station bonds). The primary purpose of the Trust is for improving and maintain the Maple Grove Apartments and the repayment of the bonds. To the extent that the principal of the trust are not needed for this purpose, the funds may be used for other authorized purposes. The current Trustees and their preferences are indicated:
- | | |
|---------------------------|---------|
| Jan Lazar (Lansing) | 1 year |
| Ann Rosenbaum (Marshall), | 2 years |
| Charles Robison (Albion) | 3 years |

- C. Discussion/Consideration of the Single Hauler Proposal.** Council held a Study Session on October 20, 2016 to review the responses to the RFP for a Single Hauler from Granger, Republic and Waste Management. In addition to the regular weekly collection of residential refuse, quotes were received for recycling and yard waste. The lowest bid was received from Granger. Direction from Council is requested relative to how they wish to proceed.

SERVICE	Granger First Year	Republic Services First Year	Waste Management First Year
1) Collecting, Hauling, and Disposing of Residential Refuse (Weekly Pick Up – 96 gallon)	\$26.55	\$45.00	\$38.25
Additional Container Cost	\$26.55	\$30.00	\$15.00
2.) Collecting, Hauling and Disposing of Residential Refuse (Weekly Pick-Up) and Curbside Collection of Recyclables (Bi-Weekly Pick-Up)	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up): \$34.20 Option #2 (Blue Bag Recycling; Weekly Pick-Up): \$27.45	\$60.00	\$68.10
3.) Collecting, Hauling and Disposing of Yard Waste (April – November) <i>Curbside Only</i>	Option #1 (Six Bag Limit; Weekly Pick-Up): \$18.75 quarterly Option #2 (Six Bag Limit; Every Other Week Pick-Up): \$13.95 quarterly	\$36.00	\$12.75

- D. Request Approval of 2017 Council Dates.** Section 5.6 of the City Charter requires the Council to meet at least 2 regular meetings each month. The proposed schedule for 2017 is provided for Council consideration, reflecting meetings on the first and third Monday of each month, except for holidays.
- E. Request Approval Resolution #2016-64. A Resolution in Support of SB 1127 Universal Tax Withholding.** City Council supported a similar resolution in May 2015. The recently introduced resolution would amend Public Act 284 of 1964, the City Income Tax Act (CITA). Currently, employers are not required to withhold income taxes from their employees who live in cities with income taxes. The proposed amendment would address this issue. The legislation is supported by the Michigan Dept. of Treasury and Michigan Municipal League.
- F. Request Approval Resolution #2016-64. A Resolution to Approve Albion Department of Public Safety Lease of Vehicle with Ford Credit.** City Council approved Resolution #2016-45 to accept the \$25,000 grant from the USDA towards the purchase of a vehicle for ADPS. The vehicle and the upgrades are proposed to be financed through a 2-year lease with Ford Motor Credit, in the amount of \$44,325.24. This expenditure exceeds \$5,000 and in accordance with Ordinance 2-384, requires Council approval.

City of Albion
PROCLAMATION
Commemorating
THE CENTENNIAL:
ALBION & THE GREAT MIGRATION

WHEREAS The movement of six million African Americans from the American South to the North from 1910 to 1970 is known as the GREAT MIGRATION; and

WHEREAS The Albion Malleable Iron Company, in need of workers, went to Pensacola, Florida and recruited 64 Black men, who travelled by train to Albion, arriving just before Thanksgiving 1916; and

WHEREAS The families of the 64 men soon made the journey to Albion and more and more waves of African Americans from Alabama, Georgia, Mississippi, Louisiana, and all over the South migrated to Albion, culminating in Albion's African American population of 30% today; and

WHEREAS The African Americans who were part of the GREAT MIGRATION to Albion acted courageously with their Declarations of Independence from the Jim Crow, segregated South; and

WHEREAS The GREAT MIGRATION participants looked to Albion for opportunities; they also challenged northern segregation and discrimination; and

WHEREAS Many of Albion's participants in the Great Migration worked difficult, dangerous, and dirty foundry jobs, their children achieved the American Dream; and

WHEREAS In dedicating the African American Museum of History and Culture in the nation's capital in 2016, President Barack Obama declared that the museum "reaffirms that all of us are America—that African American history is not somehow separate from our larger American story ... it is central to the American story."

NOW THEREFORE BE IT RESOLVED, THAT, Mayor Joseph V. Domingo together with the members of the Albion City Council, do hereby recognize that Albion's story is America's story, affirming Albion's pride in its diversity as a source of community strength, and, in this 100th anniversary year of Albion and the GREAT MIGRATION, honors those who made the GREAT MIGRATION.

In witness whereof I have hereunto set my hand and caused the seal of this city to be affixed, this 7th day of November, 2016.

Mayor

Joseph V. Domingo



City of Albion
Study Session
October 17, 2016

I. Call To Order

Mayor Domingo opened the study session at 6:00 p.m.

II. Roll Call

PRESENT: Maurice Barnes (1), Lenn Reid (2), Rebecca Decker (4), Cheryl Krause (5), Andrew French (6) and Mayor Joe Domingo. Garrett Brown (3) was absent.

Staff Present: Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk; Jim Lenardson, Director Public Services and John Tracy, Director Building, Planning & Code Enforcement.

III. CITIZEN'S COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items** only and to no more than five (5) minutes. Proper decorum is required).

No comments were received.

IV. ITEMS FOR INDIVIDUAL DISCUSSION

A. Wightman & Associates to Assist with the USDA Grant for the Water Tower and Water System Improvements

Mickey Bittner of Wightman & Associates discussed the USDA Grant highlighting the following:

- Dixon Engineering did a report for the City two years ago stating the condition of the water tower needs to be painted.
- The DEQ has for several years suggested the City increase the water capacity from a half million gallon tank to a one million gallon tank due to population and daily flows.
- The City has the following three options:

1. Demolish current tower and rebuild a one million gallon capacity tower on the east side of town. The cost is approximately \$2.5 million for the tank plus acquisition of property if necessary.
 2. Maintain the current tower and build another half million gallon capacity tower. The approximate cost is \$1.5 million.
 3. Demolish current tower and rebuild in the same location a one million gallon capacity tower. The approximate cost is \$2.5 million.
- A total approximate cost for the entire project will be close to \$4 - \$5 million for a new one million gallon tower.
 - The City does qualify for the USDA Rural Utilities Grant.
 - The current USDA financing rate is 1.875% but that could change.
 - The City would qualify for up to 45% grant funding of the total amount of the project.
 - If the City chooses to re-locate the tower, it is better to build on higher ground.
 - The City would need to raise the water rates to be eligible for the grant. In order to qualify, the rates must be 1.5% of the median household income. The 2010 census will be used to determine the median household income.
 - The USDA grant has three (3) primary requirements:
 1. Preliminary engineering report
 2. Environmental report
 3. Application (very detailed)
 - The process will be done in two stages-
 - Stage 1 will be to:
 1. Evaluate the water tower and complete a financial analysis
 2. The City would need to determine which of the three options to move forward with.
 - Stage 2 will be to:
 1. Identify the scope of the project and the location.
 2. Complete the environmental report
 3. Complete the engineering report.
 4. Complete the application
 4. Send to USDA for approval.
 - The USDA grant is not a competitive grant.
 - The financing is a forty (40) year term and there is not a penalty for pre-payment. The interest rate will be locked in when you receive the letter of conditions from the USDA or when the loan closes.
 - In order to determine the increase of water rates to the residents, a rate study will need to be completed.

- The Water fund does have funds to cover the \$29,000 cost of the study from Wightman if the City does not receive the grant.
- Timeline for the project is:
 - Approximate two (2) months to complete the initial analysis
 - The City would then choose which of the three options they would like to move forward with.
 - Approximate three (3) months to continue the process by Wightman.
 - An approximate six (6) months to send the application to the USDA for approval.
 - It will take an approximate 6-8 weeks for the USDA to provide the letter of approval with conditions.

Comments were received from Council Members French, Krause, Barnes and Decker; Director of Public Services Lenardson and Mayor Domingo.

V. **CITIZEN'S COMMENTS** (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than five (5) minutes. Proper decorum is required).

Comments were received from Tim Krause, 118 E. Ash St., Apt. B, Mickey Bittner of Wightman and Associates and Mayor Domingo.

VI. **Adjournment**

French moved, Decker supported, CARRIED, to adjourn study session. (6-0 vv)

Mayor Domingo adjourned the meeting at 6:50 p.m.

Date

Jill Domingo
City Clerk

City of Albion
City Council Meeting
October 17, 2016

I. Call To Order

Mayor Domingo opened the regular session at 7:00 p.m.

II. Moment of Silence To Be Observed

III. Pledge of Allegiance

IV. Roll Call

PRESENT: Maurice Barnes (1), Lenn Reid (2), Garrett Brown (3), Rebecca Decker (4), Cheryl Krause (5), Andrew French (6) and Mayor Joe Domingo.

Staff Present: Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk; John Tracy, Director Building, Planning & Code Enforcement; Tom Mead, Finance Director; Scott Kipp, Chief Public Safety and Jim Lenardson, Director Public Services.

V. Mayor & Council Member's Comments

Comments were received from Council Members Barnes, Reid, Brown and French and Mayor Domingo.

VI. Presentations

A. Albion College International Students

Debra Pederson, Albion College introduced the Albion College International students and Mayor Domingo presented each student an Honorary Citizen certificate from the City.

Debra Pederson thanked the Mayor and the Council for all of their support.

B. Red Ribbon Week Proclamation-Harry Bonner Sr.

Ms. Richie, Marshall Middle School teacher stated the student leadership class she was teaching is taking on the challenge of Red Ribbon Week. This will honor life and work of drug enforcement officers.

Mayor Domingo read aloud the Red Ribbon Week Proclamation and presented to Harry Bonner Sr. and members of the Youth Cadet Program.

- VII. Citizen's Comments (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than five (5) minutes. Proper decorum is required.)

Comments were received from Nidia Wolf, 409 Irwin Avenue.

- VIII. Consent Calendar (VV)

- A. Approval Study Session Minutes – September 14, 2016
- B. Approval Study Session Minutes-September 26, 2016
- C. Approval Study Session Minutes-September 28, 2016
- D. Approval Regular Session Minutes-October 3, 2016

The following corrections are needed to the minutes:

September 14, 2016 –The word Present needs to be added at the beginning of Council Member names for Roll Call.

September 28, 2016-Nidia Wolf needs to be added to Board Members that were absent.

French moved, Krause supported, CARRIED, to approve the Consent Calendar with the above corrections. (7-0 vv)

- IX. Items for Individual Discussion

- A. Request Approval for Trick or Treat from 6 p.m. to 8 p.m. on Monday, October 31, 2016 (VV)

Krause moved, French supported, CARRIED, to Approve Trick or Treat from 6 p.m. to 8 p.m. on Monday, October 31, 2016 as presented. (7-0 vv)

- B. Request Approval Resolution # 2016-61, Approval to Retain Additional Services of Wightman & Associates, Inc. for USDA Water System Grant Application (RCV)

Barnes moved, French supported, CARRIED, to Approve Approval Resolution # 2016-61, Approval to Retain Additional Services of Wightman & Associates, Inc. for USDA Water System Grant Application as presented. (7-0 rcv)

C. Discussion/Approval Albion Trust Agreement (RCV)

City Attorney Harkness stated the Albion Trust Agreement currently in place will be expiring this month. City Attorney Harkness also stated the general concept of the trust will remain the same but changes will be made to the term of the trust and also to the trustees and appointments. The term of the trust will be made to cover the remaining outstanding bonds.

Questions/Comments from the Council are as follows:

- When does the current Trust Agreement expire?
- Would like to have staggered terms for Board Members-ex (1,2,3 year terms for the initial term)
- Why were the bonds put into the trust
- Purchase of bonds may have been used as an investment tool
- Would like to speak with former Attorney and Board Member Chuck Robison to obtain some clarification on the Trust
- Is there some sort of stop guard that can be used for the Trusts expiration?
- Would like to see change of term from five (5) years to two (2) years for former employees and elected officials to be eligible to sit on the Board

Comments were received from Council Members Brown, Barnes, Krause, French and Decker; City Attorney Harkness; Mayor Domingo; City Manager Mitchell and Finance Director Mead.

French moved, Krause supported, Approval of Albion Trust Agreement.

Council Member French withdrew his motion.

D. Request Approval for the City Manager to Cast the Official Ballot for Board Members as Recommended by the MML (RCV)

Comments were received from Mayor Domingo.

Barnes moved, French supported, CARRIED, to Approve the City Manager to Cast the Official Ballot for Board Members as Recommended by the MML as presented. (7-0 rcv)

E. Discussion/Approval Resolution # 2016-62, A Resolution Adopting a Moratorium on the Establishment and Operation of Medical Marijuana Facilities (RCV)

Comments were received from Council Member Barnes and City Attorney Harkness.

French moved, Krause supported, CARRIED, to Approve Resolution # 2016-62, A Resolution Adopting a Moratorium on the Establishment and Operation of Medical Marijuana Facilities as presented. (7-0 rcv)

F. City Manager Report

City Manager Mitchell updated the Council with the following:

- Tuesday, November 29th, 2016 is the Chamber's Albion Aglow Parade. If you are interested in participating, please contact the City Manager.
- Thursday, October 27th, 2017 is the last Town Hall Meeting. It will be held at Lewis Chapel at 7:00 p.m.
- A special Town Hall Meeting will be held on Tuesday, October 25th, 2016 at 7:00 p.m. at Lewis Chapel to discuss Dalrymple School.
- Dr. Ruth Holland was in Albion over the weekend and met with community members on how to be an active participant in the community.
- The Lead Awareness Task Force will hold a public session on Thursday, October 27th, 2016 at the Kool Center in Battle Creek.
- November 8th, 2016 is the General Election. The City will have two charter amendments on the ballot. They are:
 1. The amendment would: (1) delete the public health and public affairs departments, (2) provide for a public safety department, a finance department, a public services department, a planning, building, and code enforcement department, and a recreation department, and (3) retain the council's authority to change and consolidate departments and :
 2. Allow the City to sell the property at a price determined by the City Council, after a public hearing.

- Study Session-Thursday, October 20th, 2016, at 6:30 p.m. in the Council Chambers for the single hauler bids.
- The City will be providing leaf pick up this year. She will have the flyer distributed to the Council.

G. Future Agenda Items

- Council Member Krause would like the Albion Trust added to the next agenda.
- Council Member Barnes would EDC clarification added to the next agenda.

H. Motion to Excuse Absent Council Member (s) (VV)

No action was necessary as all members were present.

X. Citizen's Comments

Comments were received from Mike Bearman, 11016 29 Mile Rd.; Fred Heaton, 21935 H Drive and Scott Kipp, Chief Public Safety.

XI. Adjournment

French moved, Krause supported, CARRIED, to adjourn council session. (7-0 vv)

Mayor Domingo adjourned the meeting at 8:26 p.m.

Date

Jill Domingo
City Clerk

City of Albion
Study Session
October 20, 2016

I. Call To Order

Mayor Domingo opened the study session at 6:30 p.m.

II. Roll Call

PRESENT: Lenn Reid (2), Rebecca Decker (4), Cheryl Krause (5), Andrew French (6) and Mayor Joe Domingo.

ABSENT: Maurice Barnes (1) and Garrett Brown (3).

Staff Present: Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk; Jim Lenardson, Director Public Services; Scott Kipp, Chief Public Safety and John Tracy, Director Building, Planning & Code Enforcement.

III. CITIZEN'S COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items** only and to no more than five (5) minutes. Proper decorum is required).

No comments were received.

IV. ITEMS FOR INDIVIDUAL DISCUSSION

A. Single Trash Hauler Bids

City Manager Mitchell stated due to the solid waste fund not having the funds for leaf pickup any longer, Council Member Brown asked for bids to be submitted to the City for single hauler pickup. The process began last year around budget time.

Jim Lenardson, Director of Public Services stated the bids were submitted in different forms, i.e. weekly, quarterly and annually. The bid form submitted to the Council has been converted to quarterly billing/pickup for comparison purposes. The July clean-up has been placed on the bid sheet as quarterly however this will remain an annual service.

Questions/Comments were as follows:

- Is the additional container cost a quarterly fee?
- The recycling fee of \$34.20 is additional to the \$26.55 charge for waste pickup.
- If the City went with the recycling option, would the trash be picked up every week and the recycling every other week?
- How will the billing be handled?
- The billing would be done by the successful bidder who will provide the City with a quarterly report.
- How will residents that do not pay their bill be handled?
- Currently for residents that do not maintain garbage service which is required by ordinance, the City Attorney's office sends out warning letters. Approximately 75% of the residents responded to the letter and the remaining 25% were cited by Code Enforcement. This process will remain with the single hauler service.
- Will annual cleanup be curbside service? Annual cleanup will remain the same with two drop off sites residents are able to take items.
- Will the pricing be the same as what is on the bids sheets? i.e. will there be administrative or fuel charges added?
- Both Granger and Republic stated there will be no additional administrative or fuel charges added to the price on the bid sheets.
- For the Granger bid, why is the charge the same for the 64 and 96 gallon container? Shane McCune, Granger stated the price is the same due to the fact that most people do not use the smaller 64 gallon container.
- Republic asked to submit supplemental information for the bids. City Attorney Harkness stated this would undermine the closed bid process.
- Republic also stated they had not received the most up to date ordinance on trash until the day the bids were opened.
- Front of house service is provided by Granger for the elderly and physically disabled. They will go up to house and pick up container and also take the container back to the pickup location.
- Would residents be able to choose which services they would like to have?
- Both Republic and Granger stated the bid prices is for the entire City to all have the same service. It would be up to the City to determine the plan for the residents.
- At the end of the three year contract, would the Council have a say in what the rates would be?
- Is the City able to cancel the agreement with the County for the Recycling Center?

- The current recycling contract with the County ends in 2019 as it was a five (5) year agreement. We are able to cancel the contract with sixty (60) day notice.
- The City currently pays the County \$7,000/year for the Recycling Center.
- If the City chooses to go to the single hauler program, it will help with truck traffic on city streets and also will illegal dumping which has been a recent problem.

Comments were received from Council Members French, Krause, Decker and Reid; Mayor Domingo, Director of Public Services Lenardson; City Attorney Harkness, City Manager Mitchell; John Tracy, Director Building, Planning & Code Enforcement; Bob DeOrsey, Republic Services and Shaun McCune.

V. **CITIZEN'S COMMENTS** (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than five (5) minutes. Proper decorum is required).

Comments were received from Nidia Wolf, 409 Irwin Avenue who asked if the tree dump would still be available; Scott Brown, 504 Lincoln St. who was in favor of the single hauler bid and that the price was less than what he was currently paying and liked the convenience of recycling being picked up from your home; Jim, Republic Services stated he did not feel the bid process flowed correctly.

Additional comments were received from Shaun McCune, Granger and Mayor Domingo.

VI. **Adjournment**

French moved, Krause supported, CARRIED, to adjourn study session. (5-0 vv)

Mayor Domingo adjourned the meeting at 7:23 p.m.

Date

Jill Domingo
City Clerk

City of Albion
Special City Council Meeting
October 24, 2016

I. Call To Order

Mayor Domingo opened the regular session at 6:30 p.m.

II. Moment of Silence To Be Observed

III. Pledge of Allegiance

IV. Roll Call

PRESENT: Lenn Reid (2), Garrett Brown (3), Rebecca Decker (4), Cheryl Krause (5) and Mayor Joe Domingo.

ABSENT: Maurice Barnes (1) and Andrew French (6).

Staff Present: Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk and Tom Mead, Finance Director.

V. Mayor & Council Member's Comments

No Mayor and Council Member comments were received.

VI. Citizen's Comments (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than five (5) minutes. Proper decorum is required.)

No citizen's comments were received.

VII. Items for Individual Discussion

A. Discussion/Approval Addendum to Albion Trust Agreement (RCV)

Comments were received from Council Members Brown, Decker and Krause; Mayor Domingo; City Attorney Harkness; City Manager Mitchell and Finance Director Mead.

Krause moved, Decker supported, CARRIED, to Approve Addendum to Albion Trust Agreement as presented. (7-0 rcv)

B. Motion to Excuse Absent Council Member (s) (VV)

Brown moved, Krause supported, CARRIED, to Excuse Absent Council Members Barnes and French. (5-0, vv)

VIII. Citizen's Comments

No citizen's comments were received.

IX. Adjournment

Decker moved, Krause supported, CARRIED, to adjourn council session. (5-0 vv)

Mayor Domingo adjourned the meeting at 7:00 p.m.

Date

Jill Domingo
City Clerk

**RESOLUTION # 2016-63 A Resolution Approving an Amendment to the
Albion District Library Agreement Pursuant to Public Act 24 of 1989**

At a regular meeting of the City Council of the City of Albion, held on November 7, 2016
in the City of Albion, Calhoun County, commencing at 7:00 p.m.:

Present:

Absent:

The following resolution was offered by Council Member _____ and supported
by Council Member _____.

WHEREAS, the Albion City Council has reviewed the attached Amendment to the Albion
District Library Agreement and wishes to approve the same.

NOW, THEREFORE, BE IT RESOLVED, that the Albion City Council hereby approves
the attached Amendment to the Albion District Library Agreement.

BE IT FURTHER RESOLVED, that the Mayor and Clerk are hereby authorized and
directed to execute the attached Amendment to the Albion District Library Agreement and all
related documents on behalf of the City of Albion in substantially the form attached (subject to
any minor changes approved by the Mayor).

YEAS:

NAYS:

Resolution declared adopted on _____, 2016.

Joe Domingo, Mayor

Jill Domingo, City Clerk

This certifies that the foregoing is a true and complete copy of action taken by the City of Albion
City Council at the regular meeting held on _____, 2016.

Jill Domingo, City Clerk

AMENDMENT TO THE ALBION DISTRICT LIBRARY AGREEMENT

THIS AMENDMENT TO THE ALBION DISTRICT LIBRARY AGREEMENT ("Amendment") is entered into this 1st day of August, 2016 by and between the **CITY OF ALBION**, a Michigan municipal corporation, 112 W. Cass Street, Albion, Michigan 49224, **ALBION TOWNSHIP**, a Michigan general law township, 28051 F Dr. S, Albion, Michigan 49224, **MARSHALL PUBLIC SCHOOLS**, as successor to the former Albion Public Schools, 100 E. Green Street, Marshall, Michigan 49068, and **ALBION DISTRICT LIBRARY**, a Michigan district library, 501 S. Superior Street, Albion, Michigan 49224.

WHEREAS, the Albion District Library Agreement ("Agreement") became effective April 1, 2007 following approval by the State Librarian pursuant to Section 5(2) of the District Library Establishment Act (MCL 397.175(2)); and

WHEREAS, the participating municipalities in the original Agreement were the City of Albion, Albion Township, and the Albion Public Schools; and

WHEREAS, pursuant to a referendum vote on May 3, 2016, the Albion Public Schools were annexed to the Marshall Public Schools effective July 1, 2016; and

WHEREAS, the annexation of the former Albion Public Schools to the Marshall Public Schools did not change the boundaries of the Albion District Library district which continues to include the former Albion Public Schools district within Sheridan Township; and

WHEREAS, as the result of the annexation of the former Albion Public Schools to the Marshall Public Schools, Marshall Public Schools is now the successor to the former Albion Public Schools for purposes of this Agreement by operation of law; and

WHEREAS, as a participating municipality, Albion Public Schools was responsible for appointing two Albion District Library Board members pursuant to Section II.A. of the Agreement; and

WHEREAS, it is necessary and desirable to amend the Agreement to formally recognize Marshall Public Schools as the successor to the former Albion Public Schools for purposes of the Agreement, including the appointment of District Library Board members.

NOW, THEREFORE, the parties hereby amend the Agreement as follows:

1. General Amendment. The Agreement is hereby amended to name "Marshall Public Schools, as successor to the former Albion Public Schools" as a participating municipality of the Albion District Library in place of "Albion Public Schools", and all references in the Agreement to "Albion Public Schools" shall be deemed to mean "Marshall Public Schools, as successor to the former Albion Public Schools".

2. Board Appointments. The parties affirm that Marshall Public Schools, as successor to the former Albion Public Schools, is responsible for appointing the two District Library Board members formerly appointed by the Albion Public Schools under Section II.A. of the Agreement. The two District Library Board members appointed by Marshall Public Schools, as successor to the former Albion Public Schools, must be residents of the former Albion Public Schools district as required by Section II.A. of the Agreement and Section 8(1) of the District Library Establishment Act (MCL 397.178(1)).
3. No Financial Obligations of Participating Municipalities. The parties affirm that Marshall Public Schools, as successor to the former Albion Public Schools for purposes of the Agreement, and the other two participating municipalities (the City of Albion and Albion Township) have no obligation to appropriate funds for the support of the Albion District Library as provided in Section III.C.6. of the Agreement.
4. Indemnification by Albion District Library. The parties affirm that the Albion District Library shall defend, indemnify, and hold harmless Marshall Public Schools as the successor to the former Albion Public Schools for purposes of this Agreement, and the other two participating municipalities (the City of Albion and Albion Township), from all claims and liabilities arising out of the operation, maintenance and improvement of the Albion District Library as provided in Section IV.E. of the Agreement.
5. Library District. The parties affirm that the territory within the district of the Albion District Library was not changed by the annexation of the former Albion Public Schools to the Marshall Public Schools on July 1, 2016. However, since Albion Public Schools is now a former school district, it is necessary to slightly amend Section I.D. of the Agreement to reflect this change in status of the former Albion Public Schools district. Accordingly, the parties amend Section I.D. of the Agreement to read in its entirety as follows:

D. District Description. The district of the Albion District Library consists of all that territory which is located in the jurisdictional limits of the City of Albion, Albion Township, and the former Albion Public Schools district as such school district existed as of June 30, 2016, excluding those portions of the former district of the Albion Public Schools within the jurisdictional limits of the Marshall District Library (Eckford Township and Marengo Township) and the Jackson District Library (Jackson County). The district of the Albion District Library is shown on Exhibit A.
6. Effective Date. This Amendment shall be submitted to the State Librarian for approval pursuant to Section 5(2) of the District Library Establishment Act (MCL 397.175(2)).
7. Full Force and Effect. The Agreement, as amended herein, shall continue in full force and effect in accordance with its terms.

8. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed and all of which shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to the Amendment and may be appended to any other counterpart.

CITY OF ALBION

Dated: _____

By: _____
Joe Domingo
Its: Mayor

By: _____
Jill Domingo
Its: Clerk

ALBION TOWNSHIP

Dated: _____

By: _____
Thomas Frank
Its Supervisor

By: _____
Kathy Grundemann
Its: Clerk

**MARSHALL PUBLIC SCHOOLS,
as successor to the former Albion
Public Schools**

Dated: _____

By: _____
Richard Lindsey
Its President

By: _____
Annette Campau
Its Secretary

ALBION DISTRICT LIBRARY

Dated: _____

By: _____
Kim Arndts
Its President

By: _____
Jessica Roberts
Its Secretary

The map displays a grid of streets in the Homer, Michigan area. Major roads include Michigan Ave. (running east-west) and Calhoun Rd. (running north-south). Other streets shown include 23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st, 32nd, 33rd, 34th, 35th, 36th, 37th, 38th, 39th, 40th, 41st, 42nd, 43rd, 44th, 45th, 46th, 47th, 48th, 49th, 50th, 51st, 52nd, 53rd, 54th, 55th, 56th, 57th, 58th, 59th, 60th, 61st, 62nd, 63rd, 64th, 65th, 66th, 67th, 68th, 69th, 70th, 71st, 72nd, 73rd, 74th, 75th, 76th, 77th, 78th, 79th, 80th, 81st, 82nd, 83rd, 84th, 85th, 86th, 87th, 88th, 89th, 90th, 91st, 92nd, 93rd, 94th, 95th, 96th, 97th, 98th, 99th, 100th, 101st, 102nd, 103rd, 104th, 105th, 106th, 107th, 108th, 109th, 110th, 111th, 112th, 113th, 114th, 115th, 116th, 117th, 118th, 119th, 120th, 121st, 122nd, 123rd, 124th, 125th, 126th, 127th, 128th, 129th, 130th, 131st, 132nd, 133rd, 134th, 135th, 136th, 137th, 138th, 139th, 140th, 141st, 142nd, 143rd, 144th, 145th, 146th, 147th, 148th, 149th, 150th, 151st, 152nd, 153rd, 154th, 155th, 156th, 157th, 158th, 159th, 160th, 161st, 162nd, 163rd, 164th, 165th, 166th, 167th, 168th, 169th, 170th, 171st, 172nd, 173rd, 174th, 175th, 176th, 177th, 178th, 179th, 180th, 181st, 182nd, 183rd, 184th, 185th, 186th, 187th, 188th, 189th, 190th, 191st, 192nd, 193rd, 194th, 195th, 196th, 197th, 198th, 199th, 200th, 201st, 202nd, 203rd, 204th, 205th, 206th, 207th, 208th, 209th, 210th, 211th, 212th, 213th, 214th, 215th, 216th, 217th, 218th, 219th, 220th, 221st, 222nd, 223rd, 224th, 225th, 226th, 227th, 228th, 229th, 230th, 231st, 232nd, 233rd, 234th, 235th, 236th, 237th, 238th, 239th, 240th, 241st, 242nd, 243rd, 244th, 245th, 246th, 247th, 248th, 249th, 250th, 251st, 252nd, 253rd, 254th, 255th, 256th, 257th, 258th, 259th, 260th, 261st, 262nd, 263rd, 264th, 265th, 266th, 267th, 268th, 269th, 270th, 271st, 272nd, 273rd, 274th, 275th, 276th, 277th, 278th, 279th, 280th, 281st, 282nd, 283rd, 284th, 285th, 286th, 287th, 288th, 289th, 290th, 291st, 292nd, 293rd, 294th, 295th, 296th, 297th, 298th, 299th, 300th, 301st, 302nd, 303rd, 304th, 305th, 306th, 307th, 308th, 309th, 310th, 311th, 312th, 313th, 314th, 315th, 316th, 317th, 318th, 319th, 320th, 321st, 322nd, 323rd, 324th, 325th, 326th, 327th, 328th, 329th, 330th, 331st, 332nd, 333rd, 334th, 335th, 336th, 337th, 338th, 339th, 340th, 341st, 342nd, 343rd, 344th, 345th, 346th, 347th, 348th, 349th, 350th, 351st, 352nd, 353rd, 354th, 355th, 356th, 357th, 358th, 359th, 360th, 361st, 362nd, 363rd, 364th, 365th, 366th, 367th, 368th, 369th, 370th, 371st, 372nd, 373rd, 374th, 375th, 376th, 377th, 378th, 379th, 380th, 381st, 382nd, 383rd, 384th, 385th, 386th, 387th, 388th, 389th, 390th, 391st, 392nd, 393rd, 394th, 395th, 396th, 397th, 398th, 399th, 400th, 401st, 402nd, 403rd, 404th, 405th, 406th, 407th, 408th, 409th, 410th, 411th, 412th, 413th, 414th, 415th, 416th, 417th, 418th, 419th, 420th, 421st, 422nd, 423rd, 424th, 425th, 426th, 427th, 428th, 429th, 430th, 431st, 432nd, 433rd, 434th, 435th, 436th, 437th, 438th, 439th, 440th, 441st, 442nd, 443rd, 444th, 445th, 446th, 447th, 448th, 449th, 450th, 451st, 452nd, 453rd, 454th, 455th, 456th, 457th, 458th, 459th, 460th, 461st, 462nd, 463rd, 464th, 465th, 466th, 467th, 468th, 469th, 470th, 471st, 472nd, 473rd, 474th, 475th, 476th, 477th, 478th, 479th, 480th, 481st, 482nd, 483rd, 484th, 485th, 486th, 487th, 488th, 489th, 490th, 491st, 492nd, 493rd, 494th, 495th, 496th, 497th, 498th, 499th, 500th, 501st, 502nd, 503rd, 504th, 505th, 506th, 507th, 508th, 509th, 510th, 511th, 512th, 513th, 514th, 515th, 516th, 517th, 518th, 519th, 520th, 521st, 522nd, 523rd, 524th, 525th, 526th, 527th, 528th, 529th, 530th, 531st, 532nd, 533rd, 534th, 535th, 536th, 537th, 538th, 539th, 540th, 541st, 542nd, 543rd, 544th, 545th, 546th, 547th, 548th, 549th, 550th, 551st, 552nd, 553rd, 554th, 555th, 556th, 557th, 558th, 559th, 560th, 561st, 562nd, 563rd, 564th, 565th, 566th, 567th, 568th, 569th, 570th, 571st, 572nd, 573rd, 574th, 575th, 576th, 577th, 578th, 579th, 580th, 581st, 582nd, 583rd, 584th, 585th, 586th, 587th, 588th, 589th, 590th, 591st, 592nd, 593rd, 594th, 595th, 596th, 597th, 598th, 599th, 600th, 601st, 602nd, 603rd, 604th, 605th, 606th, 607th, 608th, 609th, 610th, 611th, 612th, 613th, 614th, 615th, 616th, 617th, 618th, 619th, 620th, 621st, 622nd, 623rd, 624th, 625th, 626th, 627th, 628th, 629th, 630th, 631st, 632nd, 633rd, 634th, 635th, 636th, 637th, 638th, 639th, 640th, 641st, 642nd, 643rd, 644th, 645th, 646th, 647th, 648th, 649th, 650th, 651st, 652nd, 653rd, 654th, 655th, 656th, 657th, 658th, 659th, 660th, 661st, 662nd, 663rd, 664th, 665th, 666th, 667th, 668th, 669th, 670th, 671st, 672nd, 673rd, 674th, 675th, 676th, 677th, 678th, 679th, 680th, 681st, 682nd, 683rd, 684th, 685th, 686th, 687th, 688th, 689th, 690th, 691st, 692nd, 693rd, 694th, 695

January 5, 2016

Ms. Paula Pheley, President
Albion District Library
501 S. Superior Street
Albion, Michigan 49224

Re: Annexation of Albion Public Schools

Dear Paula:

The Board of Education for the Albion Public Schools (“APS”) recently approved the annexation of the APS district to the MPS district subject to the approval of the Board of Education for the Marshall Public Schools (“MPS”), the State Superintendent of Public Instruction, and the electors of APS at an election to be held on May 3, 2016, pursuant to Part 10 of the Revised School Code (MCL 380.901 et seq.) (“RSC”).¹ The MPS Board is expected to make a decision on the annexation at a meeting in early January, 2016. Since APS is a participating municipality of the Albion District Library (“Library”), you have asked us to advise you regarding the impact, if any, that the proposed annexation would have on the Library if the annexation were to become effective.

In response to your request, we have reviewed Part 10 of the RSC, the District Library Establishment Act (MCL 397.171 et seq.) (“DLEA”), the Albion District Library Agreement, and applicable law. In particular, we have reviewed the impact, if any, of the proposed annexation on 1) the Library district boundaries, and 2) the appointment of Library Board members by APS. Based on our review, we are providing with you with our analysis, as set forth below.

I. Albion District Library-Participating Municipalities and District Library Boundaries

Before we address the specifics of the proposed annexation of APS in Section II below, it is first necessary to review the establishment of the Library as a district library under the DLEA. Effective April 1, 2007, the City of Albion, Albion Township and APS established the Library as a district library pursuant to the Albion District Library Agreement. (Tab 1). As required by the DLEA, the State Librarian approved the District Library Agreement. (Tab 2). The City of Albion, Albion Township, and APS are the “participating municipalities” of the Library. As such, the City appoints three Library Board members while Albion Township and APS each appoint two Library Board members, as provided in Section II.A. of the District Library Agreement.

¹ The APS Board has not yet approved the ballot proposal for the proposed annexation but will need to do so by February 9, 2016, the deadline for ballot proposals to be certified for the May 3, 2016 election.

Section I.D. of the District Library Agreement provides:

D. District Description. The district of the Albion District Library shall consist of all that territory which is currently located in the jurisdictional limits of the City of Albion, Albion Township, and the Albion Public Schools district excluding those portions of the district of Albion Public Schools within the jurisdictional limits of the Marshall District Library (Eckford Township and Marengo Township) and the Jackson District Library (Jackson County).²
[Emphasis added].

(A map of the Library district is attached as Tab 3).

Based on Section I.D., the Library district may be described as the entire City, all of Albion Township, and that portion of Sheridan Township within the APS district. Since the City of Albion and Albion Township are both “participating municipalities” in the Library, 100% of the territory of both the City and Albion Township will remain in the Library district regardless of APS boundaries.³ However, APS boundaries do define the boundaries of the Library district in Sheridan Township because Sheridan Township is not a “participating municipality”. Thus, the Library district boundary in Sheridan Township, based on the APS district boundary, is the only boundary of the Library district potentially affected by the annexation of APS to MPS.

It is also critical to note that Section I.D. of the District Library Agreement quoted above provides that the Library district consists of all that territory “currently located” within the jurisdictional limits of the City of Albion, Albion Township, and APS as described in Section I.D. The term “currently located” refers to the effective date of the District Library Agreement which was April 1, 2007. Thus, as to that portion of the Library district defined by APS boundaries in Sheridan Township, the District Library Agreement clearly defines the boundaries of the Library district as of the time that the District Library Agreement became effective on April 1, 2007.

II. Annexation under Part 10 of the Revised School Code

The proposed annexation of APS to MPS is governed by Part 10 of the RSC. Section 901 of the RSC (MCL 380.901) requires the approval of annexation by the APS Board (which has been granted) and the MPS Board. Section 901 also requires the State Superintendent of Public

² Due to the preexistence of the Marshall District Library and the Jackson District Library in Jackson County at the time the APS was formed as a district library in 2007, the portions of the APS district within Eckford Township and Marengo Township, and those portions of the APS district in Jackson County, were excluded from the Library district.

³ The DLEA does not permit a participating municipality to exclude any portion of its territory from a district library district except when necessary to avoid overlap with a previously established public library – circumstances not present here. See MCL 397.173(3). Since the City of Albion and Albion Township are both participating municipalities, 100% of the territory of the City of Albion and Albion Township will remain in the Library district regardless of any annexation of APS.

Instruction⁴ to approve the annexation and the voters of APS to approve the annexation at an election within 120 days of the approval of the MPS Board. If approved by APS voters, the annexation will become effective either on the date of the annexation election or the date specified in the board resolution as the effective date of the annexation, whichever is later. MCL 380.901(4). For purposes of our analysis, we will assume that the proposed annexation will be approved by the MPS Board, the State Superintendent, and the APS voters, as required by Section 901.

If the annexation becomes effective, Section 901(3) of the RSC provides that the property and money belonging to APS shall become the property of MPS and that the “outstanding indebtedness” of APS shall become the liability of MPS. Upon receipt of the funds and property by MPS, the officers of APS are released from liability and their offices terminated.

It is also critical to note that both APS and MPS have outstanding bonded indebtedness as shown by the 2015 Calhoun County Apportionment Report. (Tab 4). In that regard, Section 906 of the RSC (MCL 380.906) provides:

- (1). If a school district which has bonded indebtedness is annexed to another school district which has bonded indebtedness, the identity of the annexed school district shall not be lost by virtue of the annexation. The territory of each district shall remain as a separate assessing unit for the purposes of bonded indebtedness until the indebtedness of each is refunded or retired. The board of the annexing school district is the board of trustees for the annexed school district having bonded indebtedness. The officers of the annexing school district are the officers for the annexed school district.
- (2) The board of the annexing school district shall certify and order the levy of taxes for the bonded indebtedness in the name of the annexed school district and shall not commingle the debt retirement funds of the annexed school district with those of the annexing school district and shall do all things relative to the bonded indebtedness required by law and by the terms under which the issuance and sale of the bonds were originally authorized.
- (3) Other taxes of whatever nature levied for the purposes of the combined school district shall be spread uniformly over the entire area of the combined school district.

[Emphasis added].

Since APS has bonded indebtedness, Section 906 provides that “the identity of the annexed school district [APS] shall not be lost by virtue of the annexation”. Until the refunding

⁴ Executive Order 1996-12 transferred the power of the State Board of Education to approve a local school annexation under MCL 380.901(1) to the State Superintendent of Public Instruction.

or retirement of the bonded indebtedness of APS, the MPS Board would serve as the school board for APS and would certify the levy of taxes within the APS district to pay the bonded indebtedness of APS.

III. Section 3c of the District Library Establishment Act

With Sections I and II above in mind, we now turn to the DLEA, the statute that governs the Library as a district library. Until recently, the DLEA did not address the annexation of a participating municipality. To remedy this omission in the DLEA, the Legislature added Section 3c, effective January 15, 2015, to provide:

If 2 or more participating municipalities establish a district library under this act and 1 or more of those participating municipalities is subsequently disincorporated, annexed, consolidated, or merged, or if all participating municipalities are consolidated or merged into 1 municipality, the disincorporation, annexation, consolidation, or merger does not affect the validity of the district library, and all of the following apply:

- (a) The district library shall continue to be recognized for all purposes as a lawfully established district library that may continue to exercise all powers, duties, functions, and responsibilities, including the levy of taxes authorized by the electors of the district, as provided in the agreement, this act, and any other applicable law.
- (b) If 2 or more participating municipalities remain in the district library, those municipalities shall amend the agreement to reflect the disincorporation, annexation, consolidation, or merger. If only 1 participating municipality remains in the district library after the disincorporation, annexation, consolidation, or merger, or if all participating municipalities are merged or consolidated into 1 municipality, that municipality shall assume the powers, duties, functions, and responsibilities of the former participating municipality or municipalities without amendment of the agreement.
- (c) The terms of the district library board members shall continue as provided in the agreement and this act, except that if the district library board members are appointed, the legislative body of a single remaining participating municipality or a consolidated or merged municipality shall appoint district library board members as the terms of district library board members expire.

MCL 397.173c [Emphasis added].

Section 3c provides that when a participating municipality of a district library is annexed, the annexation does not affect the validity of the district library. Section 3c further provides that in such instance, the district library may continue to exercise all powers, duties, functions, and responsibilities, including the levy of taxes authorized by district library electors, as provided in the district library agreement, the DLEA, and applicable law. Thus, Section 3c is clear that the

provisions of the applicable district library agreement are directly relevant to the application of Section 3c and other applicable law when a participating municipality of a district library is annexed.

A statute is remedial in nature “when it corrects an existing oversight in the law”. *Lenawee County v. Wagley*, 301 Mich App 134, 174; 836 NW2d 193 (2013). Clearly, Section 3c is a remedial statute because it is intended to address situations (such as the annexation of a participating municipality) that were not contemplated when the DLEA was enacted in 1989. As a remedial statute, Section 3c must be liberally construed to effectuate its intent. *Nelson v Associates Financial Services Co. of Indiana*, 253 Mich App 580; 659 NW2d 635 (2002); *Western Michigan University Bd of Control v. State*, 455 Mich 531; 565 NW2d 828 (1997).

IV. Analysis

Based on the District Library Agreement, Part 10 of the RSC, and Section 3c of the DLEA as discussed in Sections I through III above, we can now analyze the impact, if any, of the proposed annexation on 1) the district of the Library, and 2) the continued appointment of Library Board members.

A. Library District

The Library district boundaries are critical not just for Library services provided to district residents and the revenues from penal fines and State aid but also for the continued levy of the Library’s current and future millages. In that regard, we note that the current Library millage expires following the December 1, 2016 levy and that the Library will need the approval of Library district electors to authorize the Library’s millage to be levied commencing in 2017 and thereafter.

As noted in Section I above, Section I.D. of the District Library Agreement provides that the boundaries of the Library district within Sheridan Township are those boundaries of the APS district as they existed on April 1, 2007—the date when the Library was formed as a district library under the District Library Agreement. Thus, Section I.D. clearly evinces the intent of the District Library Agreement that the Library district boundaries were fixed as of April 1, 2007 and that no events after April 1, 2007 affect the boundaries of the Library district.

Section 3c provides that the annexation of APS would not affect the validity of the Library as a district library and that the Library would continue to exercise its powers and functions (including the levy of taxes as authorized by district electors) as provided not only in the DLEA and other applicable law but also as provided in the District Library Agreement itself. Section I.D. of the District Library Agreement makes clear that the boundaries of the Library district were fixed as of April 1, 2007. Construing Section 3c liberally to effectuate its remedial intent, the conclusion is inescapable that the annexation of APS to MPS would not alter the boundaries of the Library district for any purpose. The Library district would continue to consist of the entire City, all of Albion Township, and that portion of Sheridan Township within the APS district as it existed on April 1, 2007. The Library would continue to levy taxes authorized by

the Library district electors within the original district (including the portion of Sheridan Township within the APS district) and the Library could also seek voter approval of renewal or new millages within such district and levy those millages upon voter approval.

Finally, it is useful to point out that since APS has bonded indebtedness, Section 906 of the RSC provides that APS would not lose its identity by virtue of the annexation but instead would remain in place for purposes of its debt millage levy. The MPS Board would serve as the school board for APS until the bonds are refunded or retired and will authorize the debt millage levy in the name of APS. This supports the conclusion that the annexation of APS would not affect the original boundaries of the Library district. We note, however, that even after the bonded indebtedness of APS is refunded or retired, the annexation would not affect the original APS boundaries, for the reasons stated above.

B. Appointment of Board Members/Marshall Public Schools as Successor to Albion Public Schools

If the annexation becomes effective, Section 3c(b) of the DLEA requires the participating municipalities to amend the District Library Agreement to reflect the annexation. Section 3c(c) further provides that the terms of the district library board members continue as provided in the District Library Agreement. Based on these provisions, we must determine how the annexation would impact the appointment of Library Board members under Section 3c.

Upon the annexation becoming effective, Section 901(3) of the RSC provides that the property and money belonging to APS shall become the property of MPS and that the “outstanding indebtedness” of APS shall become the liability of MPS. Upon receipt of the funds and property by MPS, the officers of APS are released from liability and their offices terminated. Clearly, Section 901(3) intends to hold MPS responsible for the obligations of APS as the successor to APS.⁵

⁵ In *Michigan Education Ass’n v North Dearborn Heights School Dist*, 169 Mich App 39; 425 NW2d 503 (1988), the Michigan Court of Appeals held that an annexing school district was not bound by the collective bargaining agreement of an annexed school district under Part 10 of the RSC. This holding was based on 1) the fact that Part 10 of the RSC was silent on collective bargaining agreements in contrast to Part 10A of the RSC which contained a specific provision on collective bargaining agreements applicable to annexations and transfers under Part 10A (but not for annexations under Part 10), and 2) successorship principles specific to labor law under the Public Employment Relations Act (PERA) and Federal labor law.

In reaching this result, the Court expressly distinguished collective bargaining agreements from other contractual obligations of an annexed school district, such as individual teacher contracts which prior cases had held become the obligation of a successor school district following the annexation or consolidation of a school district. *See, e.g., Stoel v Charlevoix Twp Unit School Dist No 1*, 351 Mich 152; 88 NW2d 273 (1958) and *Wilson v School Dist No 4 v Ellington Twp*, 233 Mich 581; 207 NW2d 810 (1926); *see, also, Board of Supervisors of Presque Isle Co v Thompson*, 61 F 914, 921 (6th Cir 1894) (“ . . . when the entire territory of one municipality is absorbed by another . . . the debts of the extinguished corporation are necessarily assumed by the absorbing municipality”). As a result, when an entire school district is annexed, the annexing school district is bound by the obligations of the annexed school district (except to the extent that *Michigan Education Ass’n* holds otherwise for collective bargaining agreements only).

As a participating municipality of the Library, APS is required to appoint two members of the Library Board as their terms expire as set forth in the District Library Agreement. Upon the annexation becoming effective, MPS, as the successor to APS, would “step into the shoes” of APS and appoint the two Board members appointed by APS as their terms expire. As provided in the DLEA, individuals appointed to the Board must be a resident of both the library district and the participating municipality making the appointment. MCL 397.178(1). In this case, the Library Board members appointed by MPS, as successor to APS, would have to be residents of the portion of the original APS district within the Library district. That, is, the appointed Board members would need to be residents of the City of Albion or those portions of Albion Township or Sheridan Township within the annexed APS district.

To effectuate the intent of Section 901(3) of the RSC and Section 3c of the DLEA, the Library, the City of Albion, and Albion Township would be required to amend the District Library Agreement to reflect the annexation of APS and to provide for the continued appointment of two Library Board members by MPS as the successor to APS. To accomplish this, it would be necessary for the amendment to the District Library Agreement to name MPS as a participating municipality for the purpose of appointing two Library Board members as successor to APS.

In that regard, MPS should not be concerned about any financial obligation or liability as a participating municipality of the Library for two reasons. First, APS has no obligation to provide financial support to the Library under Section II.C(6) of the District Library Agreement. As the successor to APS, MPS would be in the same position as APS and thus would have no financial obligation to the Library. Second, Section IV.D. of the District Library Agreement provides that the Library “shall defend, indemnify, and hold harmless the Participating Municipalities from all claims and liabilities arising out of the operation, maintenance, and improvement of the Albion District library pursuant to this Agreement”. As a result, MPS would be protected from any liability for the operations of the Library.

VI. Summary and Conclusions

Based on the foregoing analysis, our conclusions may be summarized as follows:

1. Library District. Upon the annexation becoming effective, the annexation will not affect the original boundaries of the Library district. Under Section 3c of the DLEA and the provisions of the District Library Agreement, the Library district would continue to consist of the entire City of Albion, all of Albion Township, and that portion of Sheridan Township within the APS district as it existed on April 1, 2007, the effective date of the District Library Agreement. As a result, the Library would continue to levy its authorized millage within the original Library district. In addition, the Library may seek approval of a renewed or new millage from voters within the original district and, upon voter approval, may levy such millage within the original district.

2. Library Board Appointments/APS. Upon the annexation becoming effective, the District Library Agreement would need to be amended to reflect the annexation and to provide for the continued appointment of the two Board members that had been appointed by APS. To effectuate the intent of Section 901(3) of the RSC and Section 3c of the DLEA, the amendment to the District Library Agreement would need to name MPS as the successor participating municipality to APS for purposes of appointing two Library Board members from the original APS district within the Library district. As the successor participating municipality to APS, MPS would have no obligation for financial support of the Library and would be indemnified by the Library for any liability for the operation, maintenance, and improvement of the Library.

State Librarian Randy Riley has reviewed this letter and concurs in our analysis and conclusions set forth above. I am copying this letter to representatives of APS, MPS, the Calhoun County Clerk, and other interested parties to advise them of these matters.

Very Truly Yours,

A handwritten signature in blue ink, reading "Richard W. Butler, Jr." with a stylized flourish at the end.

Richard W. Butler, Jr.

cc: Ms. Jerri-Lynn Williams-Harper, Albion Public Schools Superintendent
Dr. Randall Davis, Marshall Public Schools Superintendent
Ms. Anne Norlander, Calhoun County Clerk
Ms. Judy K. Nelson, Calhoun County Equalization Director
Mr. Randy Riley, State Librarian
Ms. Kathy Webb, State Aid & Penal Fines Coordinator
Ms. Sheryl L. Mitchell, Albion City Manager
Mr. Thomas Frank, Albion Township Supervisor
Mr. Ken Lauer, Sheridan Township Supervisor

TAB 1

ALBION DISTRICT LIBRARY AGREEMENT

THIS AGREEMENT is entered into this 1st day of April, 2007, by and between the **CITY OF ALBION**, a Michigan municipal corporation, of 112 W. Cass Street, Albion, Michigan 49224, **ALBION TOWNSHIP**, a Michigan general law township, of 28051 F Dr. S, Albion, Michigan 49224, and **ALBION PUBLIC SCHOOLS**, a Michigan local school district, of 1418 Cooper, Albion, Michigan 49224.

I. ESTABLISHMENT OF DISTRICT LIBRARY

A. **Purpose.** The purpose of this Agreement is to establish the **ALBION DISTRICT LIBRARY** pursuant to 1989 PA 24, as amended ("Act 24").

B. **Participating Municipalities.** The Participating Municipalities in this Agreement are the **CITY OF ALBION**, **ALBION TOWNSHIP**, and **ALBION PUBLIC SCHOOLS** (the "Participating Municipalities").

C. **Establishment; Effective Date.** The Participating Municipalities hereby establish the Albion District Library pursuant to Act 24 to become effective April 1, 2007 (the "Effective Date"), provided that the legislative bodies of the Participating Municipalities approve this Agreement on or before such date, the Albion Public Library Board approves this Agreement on or before such date, and this Agreement is approved by the State Librarian pursuant to Section 5(2) of Act 24, provided, however, that if the State Librarian approves this Agreement after April 1, 2007, the Effective Date of this Agreement shall be the date of approval by the State Librarian.

D. **District Description.** The district of the Albion District Library shall consist of all that territory which is currently located in the jurisdictional limits of the City of Albion, Albion Township, and the Albion Public Schools district excluding those portions of the district of the Albion Public Schools within the jurisdictional limits of the Marshall District Library (Eckford Township and Marengo Township) and the Jackson District Library (Jackson County). The district of the Albion District Library is shown on Exhibit A.

II. DISTRICT LIBRARY BOARD

A. **District Library Board; Appointment; Term.** The Albion District Library shall be governed by a Board consisting of seven (7) members. The Albion City Council shall appoint three (3) Board members. The Township Board of Albion Township and the Board of Education of the Albion Public Schools shall each appoint two (2) Board members. The term of office for Board members shall be four (4) years provided, however, that the terms of the members first appointed shall be as follows:

<u>Participating Municipality</u>	<u>Initial Term Expires:</u>
1) City of Albion	December 31, 2007
2) Albion Public Schools	December 31, 2008
3) Albion Township	December 31, 2008
4) City of Albion	December 31, 2009

5)	Albion Public Schools	December 31, 2009
6)	Albion Township	December 31, 2010
7)	City of Albion	December 31, 2010

As staggered terms expire, Board members shall be appointed for a term of four (4) years commencing January 1 of that year. Board members may be reappointed for successive terms at the discretion of the Participating Municipality.

An individual appointed as a Board member shall be a qualified elector of the Participating Municipality that appoints the member on the date the appointment is made. The office of Board member becomes vacant when the incumbent dies, resigns, is convicted of a felony, is removed from office by the governor pursuant to Section 10 of Article V of the State Constitution of 1963, or ceases to be a resident of the district. In addition, the office of an appointed Board member becomes vacant when the incumbent ceases to be a resident of the Participating Municipality that appointed the incumbent.

In the event of a vacancy, the Participating Municipality that appointed the member of the Library Board whose position has become vacant shall appoint a replacement within two (2) months of the vacancy and that replacement shall serve until the end of the term of the member being replaced. In the event no such replacement shall have been appointed by the appropriate Participating Municipality at the end of the two-month period, the Library Board shall have the power to appoint such replacement, whose term shall extend to the end of the term of the Library Board member being replaced and who shall be a resident of the Participating Municipality that appointed the member being replaced.

B. District Library Board; General Powers. The Board shall be authorized and empowered to:

- (1) establish, maintain, and operate public libraries for the district;
- (2) exclusively control the expenditure of money deposited into the district library fund;
- (3) appoint and remove officers from among its members;
- (4) appoint and remove a librarian and necessary assistants and fix their compensation;
- (5) purchase, sell, convey, lease, or otherwise acquire or dispose of real or personal property, including, but not limited to, land contracts and installment purchase contracts;
- (6) erect buildings;
- (7) supervise and control district library property;

- (8) enter into a contract to receive library-related service from or give library-related service to a library or municipality within or without the district;
- (9) adopt bylaws and regulations, not inconsistent with this act, governing the board and the district library;
- (10) propose and levy upon approval of the electors a tax for support of the district library, as provided in Act 24;
- (11) borrow money pursuant to the district library financing act, 1988 PA 265, as amended;
- (12) issue bonds pursuant to the district library financing act, 1988 PA 265, as amended;
- (13) accept gifts and grants for the district library;
- (14) do any other thing necessary for conducting the district library service, the cost of which shall be charged against the district library fund; and
- (15) perform any other acts authorized by law.

C. District Library Board; Compensation. The Board may reimburse a board member for necessary expenses that the member incurs in the performance of official duties. The Board may compensate board members for attending meetings of the Board and shall include the amount of compensation in the annual budget.

III. DISTRICT LIBRARY FINANCIAL SUPPORT

A. Termination Unless Millage Approval. This Agreement shall terminate and the Albion District Library shall be abolished effective December 31, 2008, unless on or before November 30, 2008 the electors of the Albion District Library District approve a district library tax millage at the rate of not less than 2.25 mills for a levy commencing not later than December 1, 2008. In the event that this Agreement terminates pursuant to this Section, all net assets of the Albion District Library (including, without limitation, all real property and personal property transferred pursuant to Article IV of this Agreement) shall be returned and transferred to the City of Albion and public library service shall be provided to the residents of the district by the re-establishment, effective January 1, 2009, of the Albion Public Library, the organization of which shall be the same as it existed on March 31, 2007, (including the Library Services Contract dated October 11, 2004, between the Albion Public Library and Albion Township).

B. District Library Board; Budget. The Board shall annually determine the budget for the district library.

C. Financial Support.

(1) The fiscal year of the Albion District Library shall be January 1 through December 31 (provided, however, that the first fiscal year shall be a partial fiscal year from April 1, 2007, through December 31, 2007).

(2) Until the levy of a district library millage approved by the electors as herein provided or until December 31, 2008, whichever is earlier, the City of Albion shall financially support the Albion District Library by continuing to appropriate funds in each fiscal year of the City commencing with the 2007 fiscal year and extending through the 2008 fiscal year; provided, however, that the amount of the annual appropriation shall be at the discretion of the City and not subject to Section 8.13(d) of the City Charter. The City of Albion shall pay its appropriation to the Albion District Library in each fiscal year on a monthly basis in the same manner as appropriations were paid to the former Albion Public Library.

(3) (a) Until the levy of a district library millage approved by the electors as herein provided or until December 31, 2008, whichever is earlier, Albion Township shall financially support the Albion District Library by continuing to levy its 1.0 mill dedicated library millage (subject to reduction only to comply with the Headlee Amendment rollback) in December, 2007 and December, 2008 unless a district library millage is approved by voters and levied as provided in subsection (b) of this Section.

(b) Upon voter approval of a district library millage on or before November 30, 2007, for a levy on December 1, 2007, Albion Township shall have no obligation to continue to levy and collect its 1.0 mill dedicated library millage commencing with the December 1, 2007 tax levy (subject to subsection (c) below). Upon voter approval of a district library millage after November 30, 2007, but on or before November 30, 2008 for a levy on December 1, 2008, Albion Township shall have no obligation to continue to levy and collect its 1.0 mill dedicated library millage commencing with the December 1, 2008 tax levy (subject to subsection (c) below), but Albion Township shall levy its 1.0 dedicated library millage in December, 2007.

(c) If the Albion District Library submits its millage proposal to voters at an election in November, 2007 or November, 2008, Albion Township shall certify its 1.0 dedicated library millage by September 30 for levy on December 1 of that year. If the Albion District Library millage is approved by voters at an election in November, 2007 or November, 2008 and such millage is levied immediately in December of the same year, Albion Township may eliminate its 1.0 dedicated library millage for levy in December of that year pursuant to MCL 211.36(5).

(d) Albion Township shall pay 75% of the amounts collected from its 1.0 dedicated library millage to the Albion District Library pursuant to this Section within ten (10) days of the first and fifteenth day of each month in which it collects such amounts and shall pay 25% of such collected amounts to the Homer Public Library in accordance with the allocation specified in the millage proposal. If a district library millage is not approved by district library voters on or before November 30, 2008 for a levy on December 1, 2008, this Agreement shall terminate as provided in III.A. above and Albion Township

shall continue to levy its 1.0 mill dedicated library millage for the duration of the millage and to distribute such millage revenues in accordance with the terms of the Library Services Contract dated October 11, 2004, between Albion Township and the Albion Public Library.

(4) The payments of the City of Albion and Albion Township, as provided in subsections (2) and (3) above, shall be deposited into the district library fund which shall be subject to the exclusive control of the District Library Board.

(5) The District Library shall also be supported by penal fines, state aid payments, donations, gifts, and bequests and any other lawful sources of funding obtained by the District Library.

(6) Except as provided in III.C.(2) and (3) above, the Participating Municipalities shall have no obligation to appropriate funds for the support of the District Library. Nothing in this Agreement shall be construed to prohibit voluntary appropriations to the District Library by the Participating Municipalities.

IV. TRANSFER OF PROPERTY AND EMPLOYEES

A. Transfer of Personal Property. Upon the Effective Date of this Agreement, and contingent upon agreement by the Albion District Library Board to undertake the obligations specified in the Library Management Contract and the Property Transfer Agreement, substantially in the form attached to this Agreement as Exhibits B and C, respectively, the City of Albion and the Albion Public Library shall transfer the personal property identified in the Property Transfer Agreement to the Albion District Library, in the manner and subject to the terms and conditions specified in the Property Transfer Agreement.

B. Lease of Library Building; Conveyance. Upon the Effective Date of this Agreement and contingent upon the agreement of the Albion District Library Board to undertake the obligations in the Library Management Contract and Property Transfer Agreement, the City of Albion shall lease the Albion Public Library building and premises at 501 S. Superior Street in the City of Albion to the Albion District Library for the Interim Period, as defined in IV.F., in accordance with the Lease attached to the Property Transfer Agreement as Schedule 2 to Exhibit C. Not later than the December 31 following voter approval of a district library millage, the City of Albion shall convey title to the Albion Public Library building and premises by a quit claim deed to the District Library for \$1.00, subject to a right of reverter if the District Library shall cease to use the building and premises for library purposes for more than 180 consecutive days (except following casualty damage or during renovations).

C. Transfer of Library Funds. Upon the Effective Date of this Agreement, and contingent upon the agreement of the Albion District Library Board to undertake the obligations in the Library Management Contract and Property Transfer Agreement, the City of Albion and the Albion Public Library shall transfer the balance of the Albion Public Library fund to the district library fund of the Albion District Library. In addition, the Albion Public Library shall take all necessary action to transfer or assign all trust or

endowment funds or assets to the Albion District Library as of the Effective Date of this Agreement.

D. Assignment of Contracts. On or before the Effective Date of this Agreement and contingent upon the agreement of the Albion District Library Board to undertake the obligations in the Library Management Contract and Library Property Transfer Agreement, the City of Albion and the Albion Public Library shall assign to the Albion District Library all right, title and interest in and to all Albion Public Library contracts including, but not limited to, those contracts described on Exhibit D attached hereto, by executing the Assignment of Library Contracts attached as Exhibit D.

E. Assumption of Liabilities; Indemnification. As of the Effective Date of this Agreement, the Albion District Library assumes all responsibility for operation and management of the properties conveyed herein for library purposes. The Albion District Library assumes all liability, indebtedness and expenses for operation, maintenance, and improvements of the library facilities together with all claims arising on or after the Effective Date of this Agreement from the operation of the Library. The Albion District Library shall defend, indemnify and hold harmless the Participating Municipalities from all claims and liabilities arising out of the operation, maintenance, and improvement of the Albion District Library pursuant to this Agreement.

F. Employees. During the period from the Effective Date of this Agreement until December 31, 2008, or until the December 31 following the actual levy of a district library millage, whichever is earlier (the "Interim Period"), the City of Albion shall continue to employ persons assigned to the operation of the Albion Public Library, and shall lease such employees to the Albion District Library in accordance with the Library Agreement for Lease of Library Employees attached as Exhibit E.

G. Library Discontinuance. As of the Effective Date of this Agreement, the operation of the Albion Public Library is hereby discontinued by the City of Albion, subject to III.A. and V.B. of this Agreement.

V. MISCELLANEOUS

A. Term. This Agreement shall remain in effect unless and until all but one of the Participating Municipalities withdraw from the District Library as provided in V.B. below.

B. Withdrawal. A Participating Municipality may withdraw pursuant to the procedures set forth in Section 24 of Act 24, provided, however, that any resolution to withdraw before December 31, 2012, shall be null and void. In the event of a later withdrawal by a Participating Municipality that results in termination of this Agreement pursuant to V.A. above, the assets of the District Library shall be distributed to the City of Albion for the re-establishment of the Albion Public Library. In the event of a later withdrawal that does not result in termination of this Agreement pursuant to V.A. above, the withdrawing party shall not be entitled to distribution of any District Library assets.

C. Amendment. This Agreement shall not be amended except by written agreement approved by the legislative bodies of all Participating Municipalities.

D. Governing Law. This Agreement shall be interpreted in accordance with the law of the State of Michigan.

E. Counterparts. This Agreement may be executed in two or more counterparts; each of which shall be deemed and all of which shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to the Agreement and may be appended to any other counterpart.

PARTICIPATING MUNICIPALITIES:

CITY OF ALBION

Dated: 2-20-2007

By: William M. Albert

Its: Mayor

By: Kenney Helml

Its: Clerk

ALBION TOWNSHIP

Dated: 2/15/07

By: Thomas W. Frank

Its: Supervisor

By: Kathy Gruendemann

Its: Clerk

ALBION PUBLIC SCHOOLS

Dated: Feb. 20, 2007

By: Sam [Signature]

Its: President

By: Cristy Barrister

Its: Secretary

The Albion District Library Agreement (including all exhibits thereto) is approved and accepted by the Albion Public Library Board:

ALBION PUBLIC LIBRARY

Dated: 2/15/2007

By: Kimberly F. Amels

Its: Secretary

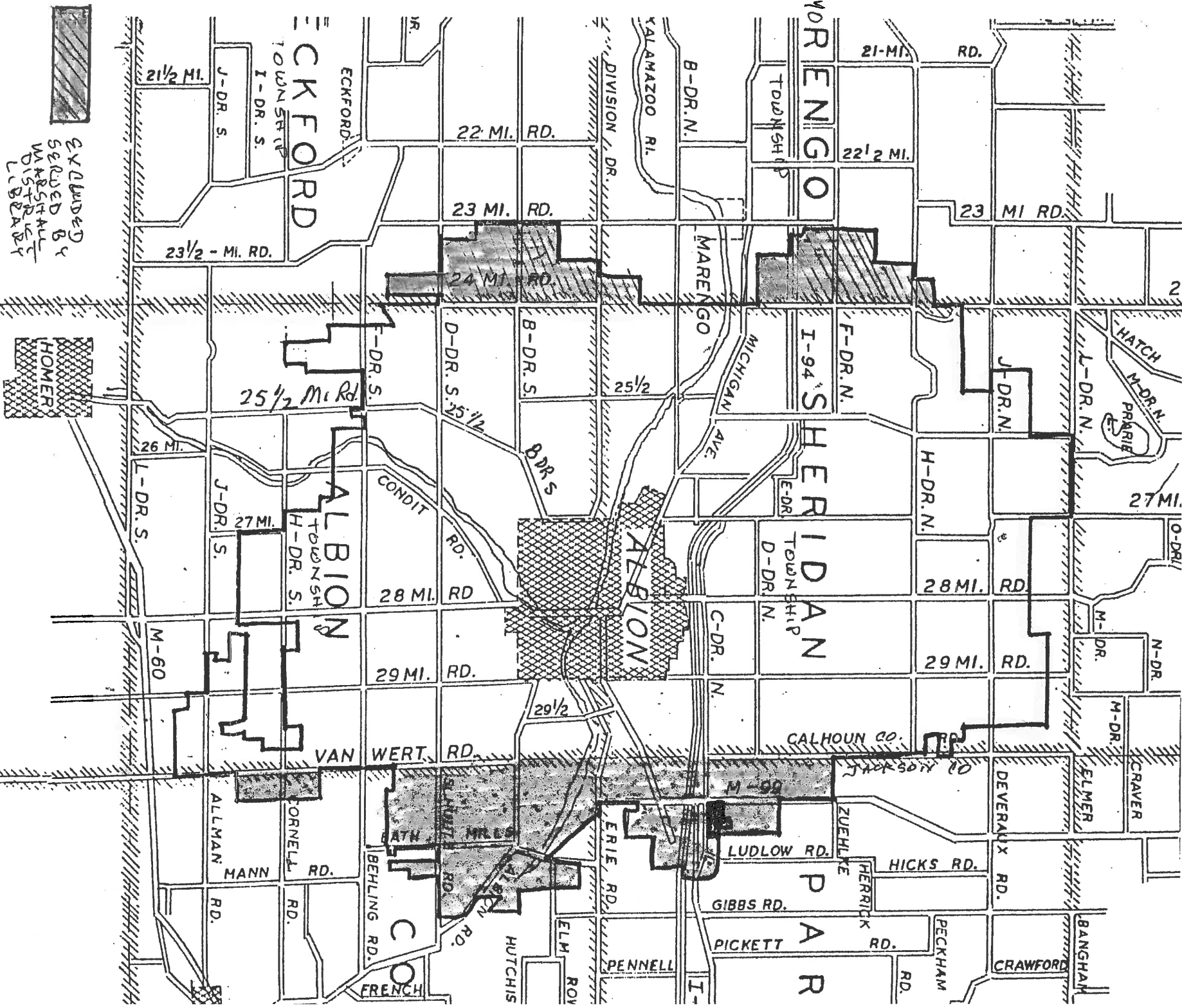
By: Donna L. Stahl

Its: president

289601.1

EXHIBIT A

MAP OF ALBION DISTRICT LIBRARY DISTRICT



EXCLUDED
SEALD BY
TACSONI
DISTRICT LIBRARY

HOMER
ALBION DISTRICT LIBRARY

EXHIBIT B

LIBRARY MANAGEMENT CONTRACT

THIS AGREEMENT, entered into as of the 1st day of April, 2007 (the "Effective Date"), by and between the **CITY OF ALBION** (the "City") and **ALBION DISTRICT LIBRARY** (the "Library"), a district library established pursuant to the District Library Establishment Act.

WITNESSETH:

WHEREAS, the Library has been established for the purpose of operating a public library in the Library's district pursuant to a certain District Library Agreement (the "District Library Agreement") entered into by and among the City of Albion, Albion Township, and Albion Public Schools; and

WHEREAS, the parties to this Agreement desire to cooperate in administering the operation and maintenance of the Library during the "Interim Period", as that term is defined in the District Library Agreement, for the purposes of providing uninterrupted library service to the residents of the Library district; and

WHEREAS, the parties desire to enter into a contract whereby, during the Interim Period, the City will provide personnel and fiscal agency services to the Library.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, it is mutually agreed as follows:

1. The City is hereby recognized as the Fiscal Agent with respect to the operation and maintenance of the Library.
2. The City hereby agrees to act as Fiscal Agent, and to perform the duties of Fiscal Agent described in this Agreement and in the statutes, rules, regulations and court decisions applicable to the operation of the Library, subject to the following conditions:
 - a. As Fiscal Agent, the City shall carry out its obligations under this Agreement using the same degree of care and skill it would use in the conduct of its own affairs.
 - b. The City shall not be responsible for any statement, warranty or representation made by the Library to the public during the administration of library services.
 - c. As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceeding, the City shall, in performing its function as Fiscal Agent, be entitled to rely on a certificate signed by a duly authorized representative of the Library as sufficient evidence of the facts described in such instrument, paper, proceeding or certificate.

- d. The City shall have the right, but not the obligation, to demand from the Library with respect to any application for reimbursement or payment any showing, certificate, opinion, appraisal or other information as a condition of disbursement or payment of Library moneys to the Library as the City may reasonably determine is necessary.
 - e. Except as expressly otherwise provided in the District Library Agreement or Exhibits thereto, no provision of this Agreement shall be deemed to require the City to expend or risk its own funds or otherwise to incur any financial liability in the performance of its duties under this Agreement.
3. During the term of this Agreement, the City shall:
- a. Hold all funds of the Library, including payments of state aid, penal fines, and County library millage revenues (other than petty cash in the amount of not to exceed \$50 which shall be held by the Library), in a separate fund on the accounts of the City entitled "District Library Fund". All earnings from investments of moneys on deposit in the District Library Fund pending disbursement shall be credited to and retained within the District Library Fund. Upon termination of this Agreement as provided in Paragraph 5 below, the balance of the District Library Fund shall be transferred to the Library.
 - b. Process all written requests for reimbursement or payment from the Library from moneys on deposit in the District Library Fund.
 - c. Retain copies of all written requests for reimbursement or payment from the Library, including, copies of all invoices, receipts for payment, executed contracts for goods or materials for which the Library is being paid or reimbursed, and any other documentation required by the Library or by the City's independent auditor.
 - d. Provide monthly written reports as to the status of the Library budget, including, but not limited to, the aggregate principal amount of all requests for disbursement submitted to the City to date, the aggregate principal amount of all reimbursements received by the City on behalf of the Library to date, the aggregate principal amount of all reimbursements remitted by the City to the Library to date, and any other information which the Library or the City may reasonably require.
 - e. Provide to the Library within 180 days of the end of the City's fiscal year an audited financial statement of the City containing as a separately audited fund the Library budget paid for by the Library.
4. The City agrees to provide all library personnel necessary, including a Director, for the proper functioning of the Library pursuant to the Library Agreement for Lease of City Employees attached as Exhibit E to the District Library Agreement.

5. This Agreement shall terminate on the last day of the Interim Period, as defined in Section IV.F. of the District Library Agreement, unless extended by mutual agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

WITNESS:

CITY OF ALBION

Dated: 3-22-2007

By: [Signature]

Its: MAYOR

By: [Signature]

Its: CITY CLERK

ALBION DISTRICT LIBRARY

Dated: 4/9/2007

By: [Signature]

Its: PRESIDENT

By: [Signature]

Its: SECRETARY

EXHIBIT C

PROPERTY TRANSFER AGREEMENT

THIS AGREEMENT is effective as of the 1st day of April, 2007, by and between the **CITY OF ALBION** (the "City"), the **ALBION PUBLIC LIBRARY** (the "Former Library"), and the **ALBION DISTRICT LIBRARY**, a district library established pursuant to the District Library Establishment Act, (the "District Library").

WHEREAS, the District Library was established by agreement effective April 1, 2007, (the "District Library Agreement") entered into by and among the City of Albion, Albion Township, and Albion Public Schools to provide library services in the District Library boundaries, as set forth in Exhibit A of the District Library Agreement.

WHEREAS, the City has operated a public library known as the Albion Public Library (the "Former Library"); and

WHEREAS, to effectuate the purposes of the District Library Agreement, it is necessary for the City to lease real property and transfer personal property to the District Library as set forth in this Agreement.

THEREFORE, in consideration of the premises, the City, the Former Library, and the District Library agree as follows:

1. At its own cost, the City shall close the fiscal year of the Former Library as of March 31, 2007.
2. Subject to the conditions specified in this Property Transfer Agreement, and pursuant to the Bill of Sale attached hereto as Schedule 1 as of the Effective Date of the District Library Agreement, the City and the Former Library shall transfer all the tangible and intangible personal property of the Former Library to the District Library. The City, the Former Library, and the District Library shall execute the Bill of Sale attached as Schedule 1.
3. Upon the Effective Date of this Agreement, the City shall lease the Albion Public Library building and premises to the District Library pursuant to the Lease substantially in the form attached as Schedule 2 attached hereto. The Former Library agrees and acknowledges that it has no legal or equitable interest in or title to the Albion Public Library building and premises. To evidence the same, the Former Library agrees to execute a quit claim deed to the City regarding such real property prior to or upon the Effective Date of this Agreement. Upon approval of a District Library millage, the City of Albion shall convey title to the Library building and premises by quit claim deed to the District Library pursuant to IV.B. of the District Library Agreement.
4. The District Library accepts the assignment of library contracts pursuant to Section IV.D. of the District Library Agreement and shall execute the Assignment of Library Contracts attached thereto as Exhibit D. The District Library hereby assumes and agrees to indemnify the City and the Former Library against all such contractual obligations, including contingent liabilities, of or incurred by the Former Library. The liabilities assumed shall include amounts owed by the Former Library to the City under any of those contractual obligations.

5. The District Library shall forthwith enter into a reciprocal borrowing agreement with the Homer Public Library and such agreement shall provide that in exchange for library service, the Homer Public Library shall continue to receive 25% of the Albion Township library millage for so long as it is levied pursuant to III.C.(3) of the District Library Agreement and shall thereafter receive annually an amount equal to 25% of the portion of the Albion District Library millage revenues generated from the taxable value of Albion Township. In addition, the reciprocal borrowing agreement shall provide that the Albion District Library shall pay to Homer Public Library an amount equal to 25% of the penal fines received by Albion District Library based upon the population of Albion Township. The term of the reciprocal borrowing agreement shall be ten (10) years subject to extension by mutual agreement of the Albion District Library and Homer Public Library. The parties agree and acknowledge that Homer Public Library is a third party beneficiary of the contractual obligation of the Albion District Library to enter into the reciprocal borrowing agreement pursuant to this paragraph and may enforce such obligation. Upon execution of the reciprocal borrowing agreement between Albion District Library and the Homer Public Library, the reciprocal borrowing agreement shall control and this paragraph shall no longer have force or effect.

6. The District Library shall, at its own cost, defend, indemnify and hold the Participating Municipalities in the District Library Agreement and their officers, agents and employees (the "Indemnified Persons") harmless from all claims and liabilities arising out of the operation, maintenance, and improvement of the District Library in accordance with Section IV.E. of the District Library Agreement.

7. In the event of failure by either party to perform its obligations under this Agreement, the other party shall have the power to seek such remedies as shall be available to it at law or in equity, including actions for mandamus.

IN WITNESS WHEREOF, the City and the District Library have executed this Property Transfer Agreement as of the date first indicated above by and through their respective duly authorized representatives.

Dated: 3.22.2007

CITY OF ALBION

By: William M. White

Its: MAYOR

By: Kerry Adair

Its: City Clerk

Dated: 4/9/2007

ALBION DISTRICT LIBRARY

By: Donna L. Stohl

Its: President

By: Kentley J. Huff

Its: Secretary

Dated: 3/12/2007

ALBION PUBLIC LIBRARY

By: Donna L. Stohl

Its: President

By: Kentley J. Huff

Its: Secretary

SCHEDULE 1 TO EXHIBIT C

BILL OF SALE

This Bill of Sale ("Bill of Sale") is made as of April 1, 2007, between the CITY OF ALBION and the ALBION PUBLIC LIBRARY (collectively "Seller"), and the ALBION DISTRICT LIBRARY, a district library established pursuant to the District Library Establishment Act ("Purchaser").

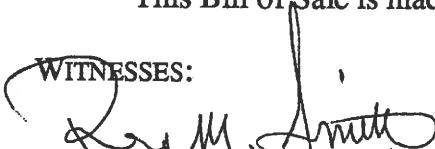
For One Dollar (\$1.00) and other valuable consideration, Seller transfers and conveys to Purchaser all of Seller's right, title and interest in and to all of the tangible and intangible personal property used by Seller in providing public library services, including, without limitation, all of the personal property located in or used in connection with the Seller's Albion Public Library located at 501 S. Superior Street, Albion, Michigan, and all books, records, reports, documents, instruments and agreements evidencing, detailing or pertaining to any of the personal property, and the Seller's rights therein. None of the personal property is subject to any claim, lien, encumbrance or interest of any kind or nature.

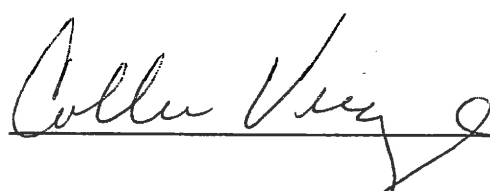
Except as expressly provided herein, Seller makes the transfer under this Bill of Sale without any representation, warranty or guaranty, whether express, implied or statutory, including any warranty of condition, merchantability, habitability or fitness for a particular use or purpose. This transfer is made as is, where is and with all faults.

Purchaser accepts delivery of the personal property and assumes all risk of loss and responsibility for the performance and compliance with any contractual agreement or undertaking related to any of the personal property or any of the Seller's rights therein.

This Bill of Sale is made as of the date first above written.

WITNESSES:





CITY OF ALBION

By:  _____

Its: MAYOR

By:  _____

Its: CITY CLERK

ALBION PUBLIC LIBRARY

3/12/2007

Colleen Kueg

By: Donna L. Stahl

Its: President

By: Kimberly F. Anick

Its: Secretary

ALBION DISTRICT LIBRARY

4/9/2007

Colleen Kueg

By: Donna L. Stahl

Its: President

By: Kimberly F. Anick

Its: Secretary

SCHEDULE 2 TO EXHIBIT C

LEASE

THIS LEASE is made as of April 1, 2007, by and between the CITY OF ALBION, hereinafter designated as the Landlord, and the ALBION DISTRICT LIBRARY, hereinafter designated as the Tenant.

1. **Description and Term.** In consideration of the rents described below and the covenants and agreements to be performed by the Tenant, and the Landlord under this Lease, the Landlord leases to the Tenant, and the Tenant leases from the Landlord, the premises commonly known as the Albion Public Library building, located at 501 S. Superior Street in the City of Albion, County of Calhoun, Michigan, as more particularly described on attached Schedule 2-A to Exhibit C ("Premises"), for a term beginning from and after April 1, 2007, to and including the 31st day of December, 2008, or until the December 31 following the actual levy of a district library millage, whichever is earlier, unless terminated prior thereto as provided in this Lease.

2. **Rent.** In consideration of this Lease, the Tenant shall pay \$1.00 per annum; shall provide public library services; and shall provide the Landlord the right of access set forth in Paragraph 7.

3. **Tenant and Landlord Responsibilities.** Without limiting the foregoing, the Tenant and Landlord agree as follows:

(a) The Tenant shall accept the Premises "as is and with all faults."

(b) The Landlord shall keep the exterior of the Premises clean and free from rubbish, dirt, snow and ice, to the extent practicable at all times and in full compliance with all applicable laws and ordinances. The Tenant shall be responsible for garbage pickup service at its expense.

(c) The Tenant shall pay for all gas, water, sewer, heat, electricity, light, telephone, or any other communication or utility service, or any other communication or utility service used in or rendered or supplied to the Premises during the term of this Lease as the same shall become due.

(d) The Tenant shall not perform or permit any acts or carry on any practices which may injure the building and structures on the Premises.

(e) Except as otherwise provided in subsection (b) of this Paragraph, the Tenant shall, at its expense, keep and maintain the Premises in good and clean condition.

(f) The Tenant shall, at its expense, maintain the Premises and all fixtures and equipment therein, including all plumbing, sprinkler, heating, air-conditioning, electrical, gas, security and safety and like fixtures and equipment, all window glass, ceilings, doors and door frames, windows and window frames of the Premises in

good repair and condition, and shall make all repairs, replacements and upgrades necessary to maintain such fixtures and equipment in good repair and condition.

(g) The Tenant shall be responsible for the risk of loss of all the personal property on the Premises and shall provide fire and extended coverage insurance on the personal property located in the Premises in amounts reasonably deemed adequate by the Tenant to fully insure the personal property. It is understood and agreed that if the personal property on the Premises as of the Effective Date of the District Library Agreement is damaged or destroyed in whole or in the part by fire or other casualty during the term hereof, the Tenant will repair and restore the same to good tenantable condition with reasonable dispatch based solely upon the amount of insurance proceeds by the Tenant to cover such casualty. As used in this Lease, "personal property" shall mean all books, collections, materials, equipment, furniture, and any other tangible personal property of the Tenant.

(h) The Tenant shall, at its expense, maintain the interior wall coverings and floor coverings in good repair and condition. The Tenant shall, at its expense, replace the wall coverings and floor coverings when necessary.

(i) The Tenant shall be solely responsible for the provision, maintenance and repair of any exterior and interior signs relating to the use of the Premises.

(j) The Tenant shall, at its expense, maintain the roof, structural supports, exterior and interior walls, floors, walkways, grounds, landscaping and parking lots in good condition and shall make all repairs, replacements, and upgrades necessary to maintain such items in good repair and condition.

(k) The Landlord shall at all times during the term of this Lease keep the Premises insured against loss or damage caused by fire, with extended coverage, boiler and machinery insurance, water damage and windstorm damage, in an amount not less than one hundred percent (100%) of the full insurable value as determined from time to time. The term "full insurable value" means actual replacement cost without deduction for physical depreciation.

(l) The Tenant shall indemnify and hold harmless the Landlord against any and all personal injury that occurs on the Premises during the term of this Lease except for personal injury resulting from the acts or omissions of the Landlord. The Tenant's obligation in this paragraph shall survive the termination of this Lease.

(m) The Tenant shall not make structural alterations or improvements to the Premises without the prior written approval of the Landlord which shall not be unreasonably withheld. The Tenant may make non-structural alterations at its sole cost and expense.

4. **Assignment.** The Tenant covenants not to assign or transfer this Lease under any circumstances without the prior written consent of the Landlord.

5. **Use and Occupancy.** It is understood and agreed between the parties hereto: (a) that the Premises during the term of this Lease shall be used and occupied for providing public library services and for no other purpose or purposes without the written consent of the Landlord; (b) upon discontinuance of the use of the Premises for public library purposes, this Lease shall forthwith terminate and possession shall be returned to the Landlord; (c) that the Tenant will not use or permit or suffer the use of the Premises for any purpose in violation of any federal or state law, municipal ordinance or regulation; and (d) that on any breach of this Lease, the Landlord may at its option terminate this Lease forthwith and re-enter and repossess the leased Premises.

6. **Fire.** It is understood and agreed that if the Premises are damaged or destroyed in whole or in part by fire or other casualty during the term hereof, the Landlord will repair and restore the same with reasonable dispatch, unless otherwise agreed by the parties, based solely upon the amount of insurance proceeds received by the Landlord to cover such casualty. The Tenant shall remove its damaged goods, wares, equipment and/or property within a reasonable time to permit the repair and restoration.

7. **Access to Premises.** During the term of this Lease, the Landlord shall have the right to enter upon the Premises at all reasonable hours for the purpose of inspecting the same. If the Tenant refuses or neglects forthwith to comply with its obligations under Paragraph 3, and complete the same with reasonable dispatch, the Landlord may perform such obligations and shall not be responsible to the Tenant for any loss or damage that may accrue by reason thereof.

8. **Quiet Enjoyment.** The Landlord covenants that the said Tenant, on payment of all the aforesaid rent and performing all the covenants aforesaid, shall and may peacefully and quietly have, hold and enjoy the Premises as provided in this Lease for the term aforesaid.

9. **Remedies.** If the Tenant shall breach or fail to perform any of the promises and agreements in this Lease, and such failure shall continue, without commencement and diligent pursuit of remedial action, for sixty (60) days after written notice from Landlord, Landlord may commence such performance at Tenant's cost and expense or terminate this Lease and reenter and repossess the Premises.

10. **Remedies Not Exclusive.** It is agreed that each and every of the rights, remedies and benefits provided by this Lease shall not be cumulative, and shall not be exclusive of any other said rights, remedies and benefits or of any other rights, remedies and benefits allowed by law or equity.

11. **Waiver.** A waiver of any covenant or condition by the Landlord shall not be construed as a waiver of a further breach of the same covenant or condition.

12. **Notices.** Whenever notice of any kind is required under this Lease, it shall be deemed sufficient notice and service thereof if such notice is in writing addressed to the applicable party at its last known post office address and deposited in the mail with postage prepaid.

IN WITNESS WHEREOF, the parties have executed this Lease by the signature of the duly authorized officers of the parties as of April 1, 2007.

WITNESSES:

Don M. Smith
Colleen Vige

CITY OF ALBION

By: William M. White

Its: Mayor

By: Kenneth Lind

Its: City Clerk

ALBION DISTRICT LIBRARY

4/9/2007
Colleen Vige

By: Donna L. Stolt

Its: President

By: Kentucky F. Anich

Its: Secretary

SCHEDULE 2-A TO EXHIBIT C

LEGAL DESCRIPTION

Lots No. 1, 2 and 3, Block 74 and a strip of land 72 feet in width off the entire West end of Lots 1 and 2, Block 74 of the Original Plat of the former Village (Now City) of Albion, according to the Plats thereof recorded in Liber 2 of Plats on Page 40 in the Office of the Register of Deeds for Calhoun County, Michigan.

Tax Identification Number: 13-51-001-221-00

EXHIBIT D

ASSIGNMENT OF LIBRARY CONTRACTS

THIS ASSIGNMENT, made as of this 1st day of April, 2007, from the CITY OF ALBION, a Michigan municipal corporation, and the ALBION PUBLIC LIBRARY, a Michigan library, to the ALBION DISTRICT LIBRARY, a Michigan district library established pursuant to 1989 PA 24, as amended.

FOR VALUABLE CONSIDERATION, receipt of which is acknowledged, the City of Albion and the Albion Public Library hereby assign to the Albion District Library, as of the date provided below, all of the City's right, title, interest in and to all contracts and agreements of or relating to the Albion Public Library including, without limitation, the contracts identified on Exhibit D-1 attached hereto.

This Assignment shall be effective as of April 1, 2007. This Assignment is made in fulfillment of Section IV.D. of the District Library Agreement.

This Assignment shall inure to the benefit of, and be binding upon, the City of Albion, the Albion Public Library, and the Albion District Library and their respective successors and assigns.

IN WITNESS WHEREOF, the City of Albion, the Albion Public Library, and the Albion District Library have executed this Assignment as of this 1st day of April, 2007.

CITY OF ALBION

By



Its: Mayor

By



Its: Clerk

ALBION PUBLIC LIBRARY

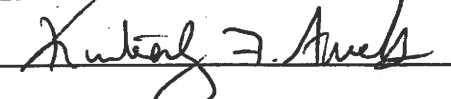
By



Its

President

By



Its

Secretary

ALBION DISTRICT LIBRARY

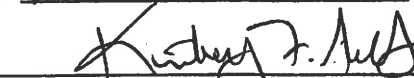
By:



Its:

President

By:



Its:

Secretary

EXHIBIT D-1
LIBRARY CONTRACTS

Able Heating & Cooling
Albion Chamber of Commerce
Albion College
Automatic Door Service, Inc.
AVSO
Baker & Taylor
Central Elevator
CINTAS
Commercial Equipment Co.
CCI Communications Consultants
Comtronics
Consumers Energy
Criterion Pictures USA, Inc
CybraryN
D.L. Gallivan
David Milling & Associates
Dell Marketing
Durolast
Employment Agreement/Director of Albion City Library
Homestead Bank
Innovative III
Law, Weathers & Richardson, P.C.
LDMI Telecommunications
Library of Michigan
MBNA America Business Card
Merit Network
MLA
Mulder Waterproofing & Sealants, Inc.
Popular Subscription Service
ProNet
Quality Asphalt Paving & Sealcoating, Inc
Rotary Club of America
SBC Ameritech/AT&T
Semco Energy
Sheridan Township Library Services Contract dated September 1, 2004
Springboard Technologies
Waste Management
W.S. Reed
Woodlands Library Cooperative

EXHIBIT E

AGREEMENT FOR LEASE OF EMPLOYEES

THIS AGREEMENT, effective as of the 1st day of April, 2007 (the "Effective Date"), by and between the **CITY OF ALBION** (the "City") and the **ALBION DISTRICT LIBRARY** (the "Library"), a district library established pursuant to the District Library Establishment Act.

RECITALS:

The Library has been established for the purpose of operating a public library in the Library's district pursuant to a District Library Agreement entered into by the City of Albion, Albion Township, and Albion Public Schools.

The parties to this Agreement desire to cooperate in administering the operation of the Library during the "Interim Period", as that term is defined in Section IV.F. of the Library Agreement, to provide uninterrupted library service to the residents of the Library district.

The Library desires, during the Interim Period, to contract with the City to provide certain City employees to staff the Library.

AGREEMENT

The parties mutually agree as follows:

1. **Provision of City Employees.** During the term of this Agreement, the City agrees to provide all personnel necessary for the proper functioning of the Library, including a Director, as requested by the Library. All City employees who are assigned as library personnel as of the Effective Date of the District Library Agreement will be allowed to continue their employment at the library facilities of the Library, subject to rights and responsibilities under all Library personnel policies applicable to the employees of the former Albion Public Library ("Personnel Policies").
2. **Additional Employees.** The Library may request the City to hire or assign additional City employees to fill new or vacant positions created by the Library. The Library will interview and recommend individuals for these positions. The City will hire and assign to the Library those employees recommended by the Library.
3. **Employee Insurance and Benefits.** The City agrees to maintain in effect all insurance and benefit coverages for the employees assigned to the Library as are provided or required for other City employees, either under statute or the Personnel Policies as defined in Paragraph 1. This shall include but not be limited to coverage for general liability to third parties for the acts or omissions of the employees and workers disability compensation insurance.
4. **Reimbursement for City Employees.** The Library shall reimburse the City for all associated payroll costs for the City employees assigned to the Library. Payroll costs

shall include, but not be limited to, wages, salaries, and all fringe benefit costs, including workers' compensation, unemployment compensation, medical and life insurance premiums, pension and other related costs properly allocated to these employees. Where an employee is assigned for less than a full calendar month, the cost of monthly premiums or payments shall be prorated accordingly.

The Library shall provide the City with a bi-weekly summary of the hours worked for each City employee provided to the Library. The City shall invoice the Library on a monthly basis for the actual wages and benefits expended during the preceding month. The Library shall review and act on the invoice at its next regularly scheduled meeting, but in no event more than 30 days after receipt of the invoice from the City.

5. **Personnel Policies and Bargaining Agreements.** City employees assigned to the Library, including the Director, shall be subject to the Personnel Policies as defined in Paragraph 1. As of the Effective Date of the District Library Agreement, the City has provided the Library with a copy of all applicable Personnel Policies now in effect. The City will provide the Library with a copy of any new or amended personnel policies applicable to the City employees assigned to the Library.
6. **Supervision of Employees.** The Library Director shall supervise and be responsible for discipline of employees assigned to the Library, subject to the Personnel Policies as defined in Paragraph 1. In the event that a specific employee is not performing his or her responsibilities satisfactorily or in accordance with applicable standards and policies, the Library shall notify the City Manager. To the extent permissible under Personnel Policies for library employees, the City shall replace that employee with another employee having the necessary job qualifications.
7. **Board Authority.** The Library Board shall be responsible for the direct supervision and evaluation of the Library Director. If discipline or removal is deemed necessary, the Library Board will implement the action to the extent permissible under law and the Personnel Policies applicable to the Library Director and subject to the Director's Employment Agreement.
8. **Director's Responsibility.** With respect to the operation of the Library (including, but not limited to, the day to day operation of the Library within policies to be established by the Library Board, budgeting, services, and materials selection), the Director shall be responsible solely and directly to the Library Board. To the extent policies set by the Library Board conflict with the Personnel Policies as defined in Paragraph 1, the Personnel Policies shall prevail.

Further, the Director shall have the authority to direct the City employees assigned to the Library in terms of the work assignments, schedules, discipline, removal from Library service, and other aspects of performing their duties.
9. **Lawful Conduct.** The Library and the City each agree that it will take no action with respect to City employees assigned to the Library which would violate any applicable employment or anti-discrimination laws.

10. **Notice of Discontinuation.** At least 30 days before the end of the "Interim Period" as defined in Section IV.F. of the District Library Agreement, the City shall give notice to all City employees currently assigned to the Library that the City will cease providing employees to the Library at the end of the Interim Period. The City shall be responsible for honoring any rights that the employees may have under the City's personnel policies.
11. **Offer of Employment.** The Library shall offer employment to each City employee who received notice under paragraph 10, above, commencing on the day after the end of the Interim Period, in accordance with the following:
- a. The Library agrees that those individuals who accept the employment offer as of the day after the end of the Interim Period shall retain such seniority rights as are provided by the City as of the end of the Interim Period. It is understood, however, that the factors affecting reduction in personnel in a district library are based on demand for public library service and availability of funding.
 - b. The Library further agrees to offer these former City employees substantially the same seniority credits and benefits, including accrued sick leave, vacation time, insurance, and pension coverages as they had at the time they left the City's employment. The Library shall provide its own insurance and pension plan separate from the City's plans.
12. **Pension Liability.** The City will request a supplemental actuarial valuation from MERS to determine the Actuarial Accrued Liabilities (AAL) related to 1) active library employees, and 2) deferred vested former library employees; beneficiaries receiving benefits; and retired former library employees. The City will request the actuarial study in sufficient time before the end of the Interim Period to allow transfer of the assets at the end of the Interim Period. The City will, with the Library Board, adopt such resolutions as are required by MERS to transfer the AALs and assets at the funded level up to 115% to a separate municipal group for the new Library. AALs and the same percentage of funding shall be retained in the City Plan for all deferred vested former library employees; beneficiaries receiving benefits, and retired former library employees who left employment as City employees, who shall be retained in the City Plan and shall henceforth be considered City retirees for any pension benefits now or in the future. The costs of the required actuarial determinations and associated implementation costs, if any, shall be paid from Library funds. Should the Library cease to exist in the future, all employees originally employed through the City and their AALs and funded assets shall be transferred back into the City Plan. This reversion provision shall not apply to any post retirement benefits other than the City's MERS administered pension plan (the "City Plan"). Further, the Library Board shall adopt Act 88 to insure reciprocal retirement credit.
13. **Transition Liability.** The Library shall defend, indemnify and hold harmless the City, and its officers, agents, and employees, against all claims brought by City

employees arising from or relating to the execution, delivery and fulfillment of this Agreement except as provided in Paragraph 15. This obligation shall survive the termination of the Agreement.

14. **Access to Information.** Either party shall have the right, but not the obligation, to demand from the other party with respect to any application for reimbursement or payment any showing, certificate, opinion, appraisal or other information as a condition of disbursement or payment of Library moneys as either may reasonably determine is necessary.
15. **Indemnification.** Except as expressly otherwise provided in the District Library Agreement or Exhibits thereto, no provision of this Agreement shall be deemed to require the City to expend or risk its own funds or otherwise to incur any financial liability in the performance of its duties under this Agreement. Accordingly, the Library shall defend, indemnify and hold harmless the City, and its officers, agents, and employees, against all claims or liabilities arising from this Agreement, or brought by City employees assigned to the Library pursuant to this Agreement. However, each party shall remain responsible for its own actions, and indemnify and hold the other harmless for any claims or damages that arise from claims made by employees that arise out of its own actions. These obligations shall survive the termination of this Agreement.
16. **Remedies.** In the event of failure by either party to perform its obligations under this Agreement, the other party shall have the power to seek such remedies as shall be available to it at law or in equity, including actions for mandamus. However, the party claiming a breach of the agreement must give the other party written notice of the alleged breach and a reasonable opportunity to cure before seeking legal recourse. A reasonable time shall not require more than 30 days to cure the breach.
17. **Duration.** This Agreement shall commence on the Effective Date of the District Library Agreement and terminate with the last day of the "Interim Period." The obligation to reimburse the City for the cost incurred for employees provided through the end of the "Interim Period" survives this Agreement.

CITY OF ALBION

By: William M. Wheat

Its: Mayor

By: Kenny Helit

Its: City Clerk

Date: 3-22-2007

ALBION DISTRICT LIBRARY

By: Dorinda Z. Stahl

Its: President

By: Kurt J. Ault

Its: Secretary

Date: 4/9/2007

TAB 2



STATE OF MICHIGAN

JENNIFER M. GRANHOLM
GOVERNOR

DEPARTMENT OF HISTORY, ARTS AND LIBRARIES
LANSING

DR. WILLIAM M. ANDERSON
DIRECTOR

March 1, 2007

Albion District Library Board of Trustees
c/o: Colleen Verge, Library Director
Albion District Library
501 South Superior Street
Albion, MI 49224

Re: Albion District Library Agreement.

Dear Ms. Verge:

The Library of Michigan hereby recognizes the Albion District Library as a district library, established in accordance with the District Library Establishment Act, 1989 PA 24, MCL 397.171 *et seq.*

Further, the Library of Michigan hereby approves the District Library Agreement, effective April 1, 2007, and accompanying resolutions, as follows:

1. The participating municipalities are the City of Albion, Albion Township and the Albion Public Schools School District.
2. The permanent library board for the new district library is a seven-member appointed board.
3. The district of the Albion District Library is comprised of all that territory which is currently located in the jurisdictional limits of the City of Albion, Albion Township and the Albion Public Schools School District, excluding the portions of the Albion Public Schools School District that are within the jurisdictional boundaries of the Marshall District Library (Eckford Township and Marengo Township) and the jurisdictional boundaries of the Jackson District Library (Jackson County).
4. The district of the Albion District Library is located in Calhoun County.
5. The Albion District Library shall be abolished effective December 31, 2008, unless on or before November 30, 2008 the electors of the Albion District Library district approve a district library tax at a rate not less than 2.25 mills.

702 WEST KALAMAZOO STREET • P.O. BOX 30738 • LANSING, MICHIGAN 48909-8238

www.michigan.gov/hal • (517) 241-2236

Printed by members of:



Page two

Thank you for submitting the requisite documentation. The Library of Michigan requests that you send copies of Exhibit B (Library Management Contract), Exhibit C (Property Transfer Agreement), Schedule 1 to Exhibit C (Bill of Sale), Schedule 2 to Exhibit C (Lease), Exhibit D (Assignment of Library Contracts), and Exhibit E (Agreement for Lease of Employees) after they have been approved by the requisite parties. Congratulations on establishing the Albion District Library! Please do not hesitate to call upon the staff and resources of the Library of Michigan if we can be of further assistance in your endeavors.

Sincerely,

A handwritten signature in cursive script, appearing to read "Nancy R. Robertson".

Nancy R. Robertson
State Librarian
Library of Michigan

NRR/js

cc: Lance Werner, Library Law Specialist
Ed Willoughby, Financial Manager
Kathy Webb, State Aid and Penal Fines Coordinator
Richard Butler, Jr., Law, Weathers & Richardson

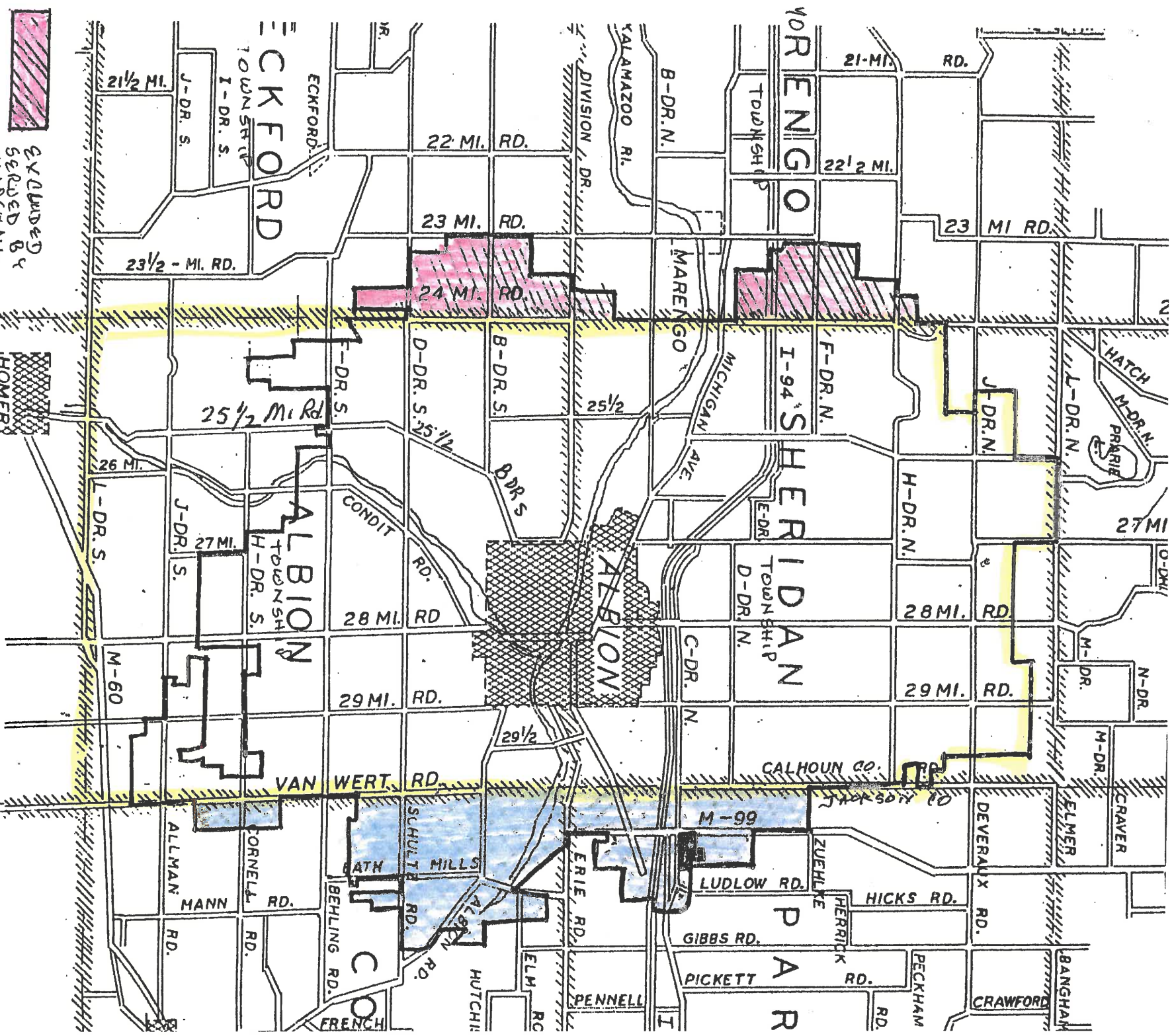
TAB 3

EXCLUDED
SERVED BY
JACKSON
DISTRICT LIBRARY

EXCLUDED
SERVED BY
WABSTAL
DISTRICT
LIBRARY

HOMER
ALBION DISTRICT LIBRARY

HOMER



TAB 4

**2015 CALHOUN COUNTY
ANNUAL APPORTIONMENT REPORT**
STATEMENT SHOWING TAXABLE VALUATION AND MILLS
APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS OF THE COUNTY OF
CALHOUN FOR THE YEAR 2015
MICHIGAN DEPARTMENT OF TREASURY
L-4402
LOCAL SCHOOL DISTRICT APPORTIONMENT REPORT

SCHOOL DISTRICT	DIST CODE	ASSESSING UNIT	NON-PRE TAXABLE*	TOTAL TAXABLE VALUE	6 MILLS MBT COMMERCIAL PERSONAL TAXABLE*	6 MILLS MBT INDUSTRIAL PERSONAL TAXABLE*	RENAISSANCE ZONE - ALL TAXABLE VALUE	MILLAGES STATE ED SET	LOCAL SCHOOL OF	Bldg & Site Fund (SF)	DEBT	TOTAL SCHOOL LEVY
ALBION	13010	ALBION TWP	\$3,213,361	\$32,722,907	\$94,196	\$0		6.0000	18.0000	4.0000	3.4200	\$362,781.91
ALBION	13010	ECKFORD	\$221,770	\$1,396,090	\$0	\$0		6.0000	18.0000	4.0000	3.4200	\$22,727.39
ALBION	13010	MARENGO	\$228,133	\$2,310,997	\$0	\$0		6.0000	18.0000	4.0000	3.4200	\$35,119.97
ALBION	13010	SHERIDAN w/o RZ	\$27,652,869	\$37,049,059	\$2,883,373	\$15,279,796	\$19,247,182	6.0000	18.0000	4.0000	3.4200	\$1,314,485.90
ALBION	13010	ALBION CITY	\$42,381,403	\$90,482,882	\$2,997,796	\$12,159,180	\$0	6.0000	18.0000	4.0000	3.4200	\$1,904,190.93
GRAND TOTAL ALBION AREA SCHOOLS			\$73,697,536	\$173,961,935	\$5,175,222	\$27,438,886	\$19,247,182	6.0000	18.0000	4.0000	3.4200	\$3,639,306.10
ATHENS	13050	ATHENS	\$27,344,949	\$80,393,534	\$374,950	\$6,592,950		6.0000	18.0000		4.3200	\$1,282,312.65
ATHENS	13050	BURLINGTON	\$262,600	\$1,744,000	\$0	\$0		6.0000	18.0000		4.3200	\$22,724.88
ATHENS	13050	LEROY	\$6,858,522	\$58,417,460	\$215,900	\$118,200		6.0000	18.0000		4.3200	\$725,612.38
ATHENS	13050	NEWTON	\$0	\$259,841	\$0	\$0		6.0000	18.0000		4.3200	\$2,681.56
GRAND TOTAL ATHENS SCHOOLS			\$34,466,071	\$80,393,534	\$590,850	\$6,711,150	\$0	6.0000	18.0000		4.3200	\$2,033,331.47
BATTLE CREEK	13020	BEDFORD	\$25,489,995	\$99,150,559	\$1,193,900	\$68,280		6.0000	18.0000	2.0000	4.3200	\$1,679,993.60
BATTLE CREEK	13020	BMMETT	\$11,672,785	\$21,088,963	\$1,862,630	\$1,116,130		6.0000	18.0000	2.0000	4.3200	\$463,229.37
BATTLE CREEK	13020	PENNFIELD	\$1,246,420	\$2,374,610	\$54,470	\$0		6.0000	18.0000	2.0000	4.3200	\$51,690.76
BATTLE CREEK	13020	BATTLE CREEK w/o RZ & 76	\$273,129,501	\$659,928,758	\$34,821,765	\$236,753,511	\$43,429,376	6.0000	18.0000	2.0000	4.3200	\$11,900,605.91
BATTLE CREEK	13020	SPRINGFIELD CITY	\$46,647,593	\$78,373,695	\$3,893,524	\$3,493,502		6.0000	18.0000	2.0000	4.3200	\$1,784,259.58
GRAND TOTAL BATTLE CREEK SCHOOLS			\$358,186,294	\$860,916,585	\$41,026,289	\$241,423,343	\$43,429,376	6.0000	18.0000	2.0000	4.3200	\$15,879,779.22
BELLEVUE	23010	CONVIS	\$3,935,195	\$20,088,582	\$257,800	\$0		6.0000	18.0000		8.9500	\$371,157.81
BELLEVUE	23010	PENNFIELD	\$273,030	\$1,737,630	\$38,000	\$0		6.0000	18.0000		8.9500	\$30,892.11
GRAND TOTAL BELEVUE SCHOOLS			\$4,208,225	\$21,826,212	\$277,800	\$0	\$0	6.0000	18.0000		8.9500	\$402,049.92

**2015 CALHOUN COUNTY
ANNUAL APPORTIONMENT REPORT**
STATEMENT SHOWING TAXABLE VALUATION AND MILLS
APPORTIONED BY THE COUNTY BOARD OF COMMISSIONERS OF THE COUNTY OF
CALHOUN FOR THE YEAR 2015
MICHIGAN DEPARTMENT OF TREASURY
L-4402

LOCAL SCHOOL DISTRICT APPORTIONMENT REPORT

SCHOOL DISTRICT	DIST CODE	ASSESSING UNIT	NON-PRE TAXABLE*	TOTAL TAXABLE VALUE	6 MILLS MET		0 MILLS MET		RENAISSANCE ZONE - ALL TAXABLE VALUE	MILLAGES				TOTAL SCHOOL LEVY
					COMMERCIAL PERSONAL TAXABLE*	INDUSTRIAL PERSONAL TAXABLE*				STATE ED SET	LOCAL SCHOOL OP	Bldg & Site Fund (SF)	DEBT	
MARSHALL	13110	CONVIS	\$9,972,068	\$23,274,162	\$1,288,800	\$417,489				6.0000	18.0000	1.0000	7.0500	\$503,994.80
MARSHALL	13110	ECKFORD	\$7,781,460	\$40,983,020	\$167,548	\$4,279,690				6.0000	18.0000	1.0000	7.0500	\$690,227.67
MARSHALL	13110	FREDONIA	\$10,942,700	\$63,056,800	\$217,408	\$13,602,000				6.0000	18.0000	1.0000	7.0500	\$1,001,304.64
MARSHALL	13110	LBB	\$366,378	\$2,654,781	\$541,897	\$0				6.0000	18.0000	1.0000	7.0500	\$43,894.48
MARSHALL	13110	MARENOD	\$6,589,067	\$27,212,492	\$958,800	\$74,600				6.0000	18.0000	1.0000	7.0500	\$500,491.12
MARSHALL	13110	MARSHALL TWP	\$24,696,534	\$120,592,995	\$1,366,600	\$77,288				6.0000	18.0000	1.0000	7.0500	\$2,138,405.99
MARSHALL	13110	NEWTON	\$11,500	\$258,912	\$0	\$0				6.0000	18.0000	1.0000	7.0500	\$3,844.71
MARSHALL	13110	MARSHALL CITY	\$72,413,033	\$204,941,645	\$7,232,690	\$21,265,303				6.0000	18.0000	1.0000	7.0500	\$4,055,272.91
GRAND TOTAL MARSHALL SCHOOLS			\$132,772,740	\$482,976,807	\$11,756,927	\$39,716,190			\$0	6.0000	18.0000	1.0000	7.0500	\$8,937,436.32
OLIVET	23060	CLARENCE	\$4,516,304	\$14,356,833	\$0	\$0				6.0000	18.0000		12.0400	\$340,290.74
OLIVET	23080	CONVIS	\$1,136,226	\$8,291,739	\$238,488	\$0				6.0000	18.0000		12.0400	\$170,035.04
OLIVET	23080	LBB	\$10,011,209	\$30,848,593	\$428	\$31				6.0000	18.0000		12.0400	\$736,710.19
GRAND TOTAL OLIVET SCHOOLS			\$15,663,739	\$53,497,165	\$238,928	\$31			\$0	6.0000	18.0000		12.0400	\$1,247,035.97
PENNFIELD	13120	BEDFORD	\$780,901	\$10,622,582	\$4,800	\$0				6.0000	18.0000		10.6000	\$190,391.08
PENNFIELD	13121	BEDFORD w Hastings Debt	\$0	\$36,975	\$0	\$0				6.0000	18.0000		4.1500	\$375.30
PENNFIELD	13120	CONVIS	\$93,399	\$2,454,050	\$542,600	\$0				6.0000	18.0000		10.6000	\$42,418.41
PENNFIELD	13120	PENNFIELD	\$49,117,300	\$187,438,680	\$2,468,580	\$261,330				6.0000	18.0000		10.6000	\$3,994,025.51
PENNFIELD	13120	BATTLE CREEK	\$10,601,970	\$11,063,335	\$461,365	\$0				6.0000	18.0000		10.6000	\$374,486.82
GRAND TOTAL PENNFIELD SCHOOLS			\$60,593,570	\$211,615,622	\$3,477,345	\$261,330			\$0	6.0000	18.0000		10.6000	\$4,601,697.12
SPRINGPORT	38150	CLARENCE	\$17,353,804	\$54,296,501	\$153,100	\$0				6.0000	18.0000		8.8000	\$1,115,956.69
SPRINGPORT	38150	SHERIDAN	\$1,202,893	\$3,030,044	\$0	\$0				6.0000	18.0000		8.8000	\$66,496.73
GRAND TOTAL SPRINGPORT SCHOOLS			\$18,556,697	\$57,326,545	\$153,100	\$0			\$0	6.0000	18.0000		8.8000	\$1,182,453.42

CITY OF ALBION
SENIOR CITIZENS HOUSING AND EMERGENCY SERVICES FACILITIES TRUST

THIS IRREVOCABLE TRUST AGREEMENT, is made this _____ day of _____, 2016, between CITY OF ALBION, a Michigan municipal corporation organized and existing under the Constitution and laws of the State of Michigan ("GRANTOR"), AND _____, and _____ (collectively, the "TRUSTEES"). The GRANTOR hereby transfers to the TRUSTEES the property described in Schedule A attached hereto, comprised of money or securities in the aggregate principal sum of \$1,054,552.80. The GRANTOR reserves the right to make additions to this trust from time to time, by transferring same to the TRUSTEES. That property, and any other property that may be received by the TRUSTEES ("Trust Property"), shall be held and distributed as follows:

ARTICLE I

This instrument is irrevocable.

ARTICLE II

1. The TRUSTEES shall set aside the Trust Property in trust to be held in accordance herewith.
2. The TRUSTEES may distribute to, or use for the benefit of the GRANTOR, all or any portion of the principal of this trust to the GRANTOR for any of the following purposes:
 - A. For the payment of the principal and interest and redemption premiums, if any, on the Albion Building Authority Bonds (Senior Citizens Housing) or on the Albion Building Authority Bonds (Joint Ambulance and Fire Station), or any bonds issued to refund such bonds;
 - B. For purposes of improving, expanding, maintaining, repairing, replacing or reconstructing any structure or improvement which comprises a part of the Maple Grove Apartments ("Maple Grove Apartment") located at 1041 Maple Street, Albion, Michigan, 49224 or any structure or improvement which comprises a part of the Joint Ambulance and Fire Station located at 207 North Clinton Street, Albion, Michigan 49224;
 - C. For repair, replacement or reconstruction of the Maple Grove Apartments or Joint Ambulance and Fire Station, which is occasioned by a fire, tornado or other calamity or disaster;
 - D. To the extent that the principal of this trust is not needed for any of the purposes listed in sub-sections A., B., and C. of this section, for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating, and maintaining buildings, automobile parking lots or structures,

recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, and for any and all other purposes authorized or permitted by Act 31, Public Acts of Michigan, 1948 (First Extra Session), as it may be amended from time to time, for use of any legitimate public purpose of the GRANTOR.

3. The TRUSTEES may distribute to the GRANTOR all or any portion of the net income of the trust. The TRUSTEES shall add any undistributed income to the Trust Property.
4. Unless earlier terminated, this Trust shall continue in accordance with the terms hereof for a period of TWELVE (12) years from the date of execution of this Agreement.
5. This Trust shall terminate, prior to the lapse of the trust term designated in Section 4, Article II, upon the TRUSTEES' receipt of a written opinion of counsel for GRANTOR, that the income, principal or any part of this Trust, is subject to taxation or rebate under the Internal Revenue Code of 1986, as amended, or any successor provisions thereof.
6. This Trust shall also terminate, prior to the lapse of the trust term designated in Section 4, Article II, upon the written request of GRANTOR, if both the Maple Grove Apartments are no longer in operation as senior citizens housing and if the Joint Ambulance and Fire Station is no longer in operation as a fire station, or if both the Maple Grove Apartments and Joint Ambulance and Fire Station are no longer in operation by the GRANTOR or by a municipal entity designated by the GRANTOR.
7. This Trust shall also terminate, prior to the lapse of the trust term designated in Section 4, Article II, if for any reason a court of competent jurisdiction finds that the creation or existence of the Trust property, or the transfer of monies into this Trust, is ultra vires beyond the powers conferred upon GRANTOR by law.
8. Upon termination of this Trust, the TRUSTEES shall immediately distribute all assets of the Trust to the grantor trust, of which GRANTOR is the grantor, within the meaning of subpart E, part I, subchapter J, chapter 1, subtitle A of the internal Revenue Code of 1986, as amended, and shall be construed accordingly.

ARTICLE III

1. The TRUSTEES shall expend all income or principal which is authorized by this Agreement by paying such sum to GRANTOR for the limited uses permitted in accordance herewith. The receipt by GRANTOR shall be a complete discharge to the TRUSTEES who shall not be responsible for the application of such payment.

2. The TRUSTEES shall not be required to obtain authority or approval of any court in exercising any power or discretion permitted under this AGREEMENT. The TRUSTEES shall not be required to file accountings with any court.
3. No person dealing with the TRUSTEES shall be obligated to inquire into the TRUSTEES' power or authority or into the validity of any act of the TRUSTEES, or be liable for the application of any money paid to the TRUSTEES in the management of the trust property.
4. The validity and effect of this AGREEMENT and the dispositions pursuant to this AGREEMENT shall be determined under the laws of the State of Michigan.

ARTICLE IV

In addition to any powers given by law or otherwise, and not by way of legislation of any such powers, the TRUSTEES are authorized and empowered, at any time, in the TRUSTEES' absolute discretion:

1. To select and retain a qualified bank and trust company to serve as custodian of the Trust Property under a custodial agreement for the purpose of safekeeping, investment and administration of the Trust Property. Said custodian shall be entitled to reasonable compensation for services in administering and distributing the estate or trust property, and to reimbursement for expenses.
2. To hold and retain all or any property received from GRANTOR or any other source, without regard to any law or rule of court concerning diversification or risk;
3. To invest and reinvest the Trust Property in:
 - A. Government Obligation which shall mean direct obligations of the United States of America or obligations in the principal and the interest on which are unconditionally guaranteed by the United States of America ("Government Obligations");
 - B. Bonds, debentures, or other evidences of indebtedness issued or guaranteed by the Government National Mortgage Association;
 - C. Mutual Funds, composed of investment vehicles, which are legal for direct investment by cities, under Act 20, public Acts of Michigan, 1943, as amended;
 - D. Certificates of deposit, whether negotiable or non-negotiable, and banker's acceptances of any bank in the United States whose deposits are insured by the Federal Deposit Insurance Corporations, or any savings and loan association in the United States whose deposits are insured by the Federal Savings and Loan Insurance Corporations, provided that such certificates of deposit or banker's acceptance is from a bank or from

savings and loan association having a combined capital and surplus aggregating to at least Fifty Million Dollars (\$50,000,000);

- E. Commercial paper of a United States corporation or finance company, other than that issued by bank holding companies, rated at the date of investment in the highest rating category by two nationally recognized rating agencies maturing in not more than 270 days, provided that not more than 50% of the Trust Property shall at any time be invested in commercial paper;
 - F. Any repurchase agreement which by its terms matures not later than one year from its date or execution with any bank or trust company organized under the laws of any state of the United States of America or any national banking association or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by Government Obligations which shall at all times have a market value (exclusive of accrued interest) as estimated by the TRUSTEES of not less than one hundred four percent (104%) of the full amount of the repurchase agreement, dates of maturity not in excess of seven years and be delivered to the TRUSTEES or another bank or trust company organized under the laws of any state or the United States of America or any national banking association, as custodian, and the custodian must have a first lien on, and retain possession of the collateral, free and clear of all third party claims;
- 4. To sell, exchange, partition, or otherwise dispose of any property, at public or private sale, for such purposes and upon such terms, including options and sales on credit, with or without security;
 - 5. To renew or extend the time of payment of any obligation, secured or unsecured, payable to or by the trust created hereby, for as long a period or periods of time and on such terms as deemed advisable; and to adjust, settle, compromise and arbitrate claims or demands upon such terms as deemed advisable;
 - 6. In respect of any securities forming part of this trust, to vote upon any proposition or election at any meeting, and to grant proxies, discretionary or otherwise, to vote at any such meeting; to join in or become a party to any reorganization, readjustment, merger, voting trust, consolidation, or exchange, and to deposit any such securities with any committee, depository, trustee, or otherwise, and to pay out any fees, expenses, and assessments incurred in connection therewith, and to charge the same to principal or income as deemed proper; to exercise conversion, subscription, or other rights, or to sell or abandon such rights, and to receive and hold any new securities issued as a result of any such reorganization, readjustment, merger, voting trust, consolidation, exchange, or exercise of conversion, subscription, or other rights; and, generally, to take all action in respect to any such securities as could be done by an absolute owner;

7. Whenever required or permitted, to divide or distribute any property, and to make such division or distribution in kind or in money, or in part kind and in part money, and without regard to the income tax basis of any such property;
8. To apportion extraordinary or liquidating distributions between income and principal in such manner as shall fairly take into account the relative interests of the beneficiaries; and, to determine what constitutes such distributions;
9. In connection with making investments, to determine whether to amortize premiums in whole or in part;
10. To engage attorneys, accountants, agents, custodians, clerks, investment counsel, and such other persons as deemed advisable, to make such payments therefor as deemed reasonable, and to charge the expense thereof to income or principal as equitably determined, and to delegate to such persons and discretion deemed proper;
11. To exercise all power and authority, including any discretion, conferred in this instrument with respect to all accumulations of income under this instrument and with respect to all property held under a power in trust;
12. To exercise all power and authority, including any discretion conferred in this instrument after the termination of any trust created herein and until the same is fully distributed.

No powers enumerated herein or accorded to the TRUSTEES generally pursuant to law shall be construed to enable the TRUSTEES, or any other person, to purchase, exchange, or otherwise deal with or dispose of the principal or income of the trust for less than an adequate or full consideration in money or money's worth, or to borrow the principal or income of the trust, directly or indirectly, without adequate interest or security.

ARTICLE V

1. Any TRUSTEE may resign at any time by giving written notice, specifying the effective date of resignation, to GRANTOR and to the remaining two TRUSTEES. The GRANTOR shall appoint a Successor TRUSTEE for the unexpired term.
2. The initial terms of the three TRUSTEES shall be for a term of years as follows: _____ for a term ending on November 1, 2017, _____ for a term ending on November 1, 2018, and _____ for a term ending on November 2019, respectively. Thereafter, succeeding TRUSTEES shall serve three year terms. The GRANTOR shall appoint a Successor TRUSTEE.

3. In case of temporary absence or disability of any TRUSTEE, the GRANTOR may appoint a TRUSTEE to act temporarily in his or her stead.
4. A TRUSTEE or Successor TRUSTEE may not be an elected official of the GRANTOR, a current employee of GRANTOR, or a former employee or former elected official, within two (2) years of appointment as TRUSTEE, of the GRANTOR.
5. Any successor TRUSTEE shall accept, without examination or review the accounts rendered and the property delivered by or for a predecessor TRUSTEE, without incurring any liability or responsibility for so doing.
6. Any successor TRUSTEE shall have the same title, powers, duties, and discretion of the TRUSTEE succeeded, without the necessity of any additional conveyance or transfer.
7. Meetings of the TRUSTEES shall be called by any two (2) members. Written notice of special meetings shall be either (a) served personally on each TRUSTEE or left at his or her usual place of employment or residence no less than twenty-four (24) hours prior to the time of the special meeting; (b) given personally by telephonic communication to each TRUSTEE not less than twenty-four (24) hours prior to the time of the special meeting; or (c) given by first class mail to each TRUSTEE not less than seventy-two (72) hours prior to the time of the special meeting.
8. Two TRUSTEES shall constitute a quorum, and all proceedings by the TRUSTEES shall require for favorable action a vote of two TRUSTEES. The TRUSTEES shall keep a journal of proceedings, which shall be signed by any TRUSTEE. Said journal shall show the manner in which each TRUSTEE voted and each TRUSTEE shall vote upon all motions and resolutions unless disqualified from voting thereon by reason of any direct or indirect personal interest as defined by the State of Michigan Conflict of Interest Laws.
9. Any action required or permitted by this trust may be taken without a meeting, without prior notice and without a vote, if two TRUSTEES authorize the action in writing, specifically set forth the action to be taken, and sign the same. The written authorizations shall bear the date of signature of each TRUSTEE who signs the consent.
10. The TRUSTEES shall file with GRANTOR an accounting, quarterly.
11. The TRUSTEES shall file with GRANTOR a copy of the journal of meetings of the TRUSTEES annually.
12. Whenever reasonably necessary, pronouns of any gender shall be deemed synonymous, as shall singular and plural pronouns.
13. This trust is exempt from registration under the laws of the State of Michigan.

This instrument was executed on the date first above written.

GRANTOR:

Witnessed:

CITY OF ALBION, State of Michigan

By _____

Joseph Domingo
Mayor

By _____

Jill Domingo
City Clerk

TRUSTEES:

Witnessed:

DATED: _____, 2016

STATE OF MICHIGAN)
COUNTY OF CANHOUN) :ss

The foregoing instrument was acknowledged before me this ____ day of _____, 2016 by _____ and, _____, the Mayor and City Clerk, respectively, of the City of Albion.

Notary Public
Calhoun County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN)
) ss
COUNTY OF CANHOUN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016 by _____.

Notary Public
Calhoun County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN)
) ss
COUNTY OF CANHOUN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016 by _____.

Notary Public
Calhoun County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN)
 :SS
COUNTY OF CANHOUN)

 The foregoing instrument was acknowledged before me this ____ day of
_____, 2016 by _____.

Notary Public
Calhoun County, Michigan
My Commission Expires: _____

SCHEDULE A

The Trust Property

ALBION TRUST VALUES AS OF 9/30/16

Municipal Bonds

55,000 Municipal Bond - matures 4/1/17
60,000 Municipal Bond - matures 4/1/18
60,000 Municipal Bond - matures 4/1/19
55,000 Municipal Bond - matures 10/1/25
55,000 Municipal Bond - matures 10/1/26
60,000 Municipal Bond - matures 10/1/27
65,000 Municipal Bond - matures 10/1/28

Corporate/Government Bonds

50,000 Bank of Holland - matures 2/21/17
65,000 GE Capital Bank CD - matures 4/4/17
25,000 Federal National Mortgage Note - matures 12/20/17
50,000 Federal Farm Credit Bond - matures 2/26/17
25,000 Federal Home Note - matures 1/12/18
65,000 International Bank - matures 5/1/18
75,000 Sallie Mae Bank CD - matures 11/5/19

Cash Accounts

\$246,502.03 - Stifel Bank & Trust
\$43,050.82 - Bank of Baroda

SINGLE HAULER BIDS – LIST OF SERVICES AND QUARTERLY PRICES – First Year

SERVICE	Granger First Year		Republic Services First Year		Waste Management First Year	
	96 Gallon	64 Gallon	96 Gallon	64 Gallon	96 Gallon	64 Gallon
1.) Collecting, Hauling, and Disposing of Residential Refuse (Weekly Pick Up)	\$26.55	\$26.55	\$45.00	\$43.50	\$38.25	\$38.25
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$75.00	\$73.50	\$53.25	\$53.25
Additional Container Cost	\$26.55	\$26.55	\$30.00	\$30.00	\$15.00	\$15.00
2.) Collecting, Hauling and Disposing of Residential Refuse (Weekly Pick-Up) and Curbside Collection of Recyclables (Bi-Weekly Pick-Up)	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up): \$34.20	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up): \$34.20	\$60.00	\$58.50	\$68.10	\$68.10
	Option #2 (Blue Bag Recycling; Weekly Pick-Up): \$27.45	Option #2 (Blue Bag Recycling; Weekly Pick-Up): \$27.45				
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$105.00	\$103.50	\$83.10	\$83.10
Additional Container Cost	(not reported)	(not reported)	\$30.00	\$30.00	\$15.00	\$15.00
Recyclable Container Cost	Included in 2.) Option #1	Included in 2.) Option #1	\$70.00 per cart		No charge for first container ; each add'l container \$15 per quarter	
3.) Collecting, Hauling and Disposing of Yard Waste (April – November) <i>Curbside Only</i>	Option #1 (Six Bag Limit; Weekly Pick-Up): \$18.75 quarterly Option #2 (Six Bag Limit ; Every Other Week Pick-Up): \$13.95 quarterly		\$36.00		\$12.75	

	(Both options are an additional cost to trash and recycling services)		
Annual July Clean-Up	Rear-load (REL) compaction vehicles \$160 per hour (including travel time), 30-Yard Roll Offs \$160 per container for delivery and removal, and disposal for REL and Roll Offs at \$48 per ton (minimum 2 tons per REL vehicle or roll off).	\$155 per hour, per truck + \$40.00 ton disposal.	\$2,710.00 per quarter
Annual Festival of the Forks	20-Yard Roll Offs \$100 per container for delivery and removal, and disposal for at \$48 per ton (minimum 2 tons per roll off).	\$100.00 total for the event	\$0; included at no add'l charge
Municipal Buildings Service	Containers (2 to 6-yard capacity) charged at \$60 per container per month for once-a-week service. Additional services may be available upon request.	No Cost	\$0; included at no add'l charge

SINGLE HAULER BIDS – LIST OF SERVICES AND QUARTERLY PRICES – Second Year

SERVICE	Granger Second Year		Republic Services Second Year		Waste Management Second Year	
	96 Gallon	64 Gallon	96 Gallon	64 Gallon	96 Gallon	64 Gallon
1.) Collecting, Hauling, and Disposing of Residential Refuse (Weekly Pick-Up)	\$26.55	\$26.55	\$46.80	\$45.30	\$39.60	\$39.60
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$76.80	\$75.30	\$55.11	\$55.11
Additional Container Cost	\$26.55	\$26.55	\$30.00	\$30.00	\$15.00	\$15.00
2.) Collecting, Hauling and Disposing of Residential Refuse (Weekly Pick-Up) and Curbside Collection of Recyclables (Bi-Weekly Pick-Up)	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up):	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up):	\$62.40	\$60.84	\$70.50	\$70.50
	\$34.20	\$34.20				
	Option #2 (Blue Bag Recycling; Weekly Pick-Up):	Option #2 (Blue Bag Recycling; Weekly Pick-Up):				
	\$27.45	\$27.45				
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$107.40	\$105.84	\$86.01	\$86.01
Additional Container Cost	(not reported)	(not reported)	\$30.00	\$30.00	\$15.00	\$15.00
Recyclable Container Cost	Included in 2.)	Included in 2.)	\$70.00 per cart		No charge for first container ; each add'l container \$15 per quarter	
	Option #1	Option #1				
3.) Collecting, Hauling and Disposing of Yard Waste (April – November) <i>Curbside Only</i>	Option #1 (Six Bag Limit; Weekly Pick-Up): \$18.75 quarterly		\$37.44		\$13.20	

	Option #2 (Six Bag Limit ; Every Other Week Pick-Up): \$13.95 quarterly (Both options are an additional cost to trash and recycling services)		
Annual July Clean-Up	Rear-load (REL) compaction vehicles \$160 per hour (including travel time), 30-Yard Roll Offs \$160 per container for delivery and removal, and disposal for REL and Roll Offs at \$48 per ton (minimum 2 tons per REL vehicle or roll off).	\$161.20 per hour, per truck + \$40.00 ton disposal.	\$2,805.00 per quarter
Annual Festival of the Forks	20-Yard Roll Offs \$100 per container for delivery and removal, and disposal for at \$48 per ton (minimum 2 tons per roll off).	\$100.00 total for the event	\$0; included at no add'l charge
Municipal Buildings Service	Containers (2 to 6-yard capacity) charged at \$60 per container per month for once-a-week service. Additional services may be available upon request.	No Cost	\$0; included at no add'l charge

SINGLE HAULER BIDS – LIST OF SERVICES AND QUARTERLY PRICES – Third Year

SERVICE	Granger Third Year		Republic Services Third Year		Waste Management Third Year	
	96 Gallon	64 Gallon	96 Gallon	64 Gallon	96 Gallon	64 Gallon
1) Collecting, Hauling, and Disposing of Residential Refuse (Weekly Pick-Up)	\$26.55	\$26.55	\$48.67	\$47.17	\$40.98	\$40.98
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$78.67	\$77.17	\$57.03	\$57.03
Additional Container Cost	\$26.55	\$26.55	\$30.00	\$30.00	\$15.00	\$15.00
2.) Collecting, Hauling and Disposing of Residential Refuse (Weekly Pick-Up) and Curbside Collection of Recyclables (Bi-Weekly Pick-Up)	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up): \$34.20	Option #1 (96-Gallon Recycling Cart; Every Other Week Pick-Up): \$34.20	\$64.90	\$63.27	\$72.96	\$72.96
	Option #2 (Blue Bag Recycling; Weekly Pick-Up): \$27.45	Option #2 (Blue Bag Recycling; Weekly Pick-Up): \$27.45				
Rear Yard Service	Rear yard service not offered, however, front of house service provided at no additional cost for physically challenged residents.		\$109.90	\$108.27	\$89.01	\$89.01
Additional Container Cost	(not reported)	(not reported)	\$30.00	\$30.00	\$15.00	\$15.00
Recyclable Container Cost	Included in 2.) Option #1	Included in 2.) Option #1	\$70.00 per cart		No charge for first container ; each add'l container \$15 per quarter	

3.) Collecting, Hauling and Disposing of Yard Waste (April – November) <i>Curbside Only</i>	Option #1 (Six Bag Limit; Weekly Pick-Up): \$18.75 quarterly Option #2 (Six Bag Limit ; Every Other Week Pick-Up): \$13.95 quarterly (Both options are an additional cost to trash and recycling services)	\$38.94	\$13.65
Annual July Clean-Up	Rear-load (REL) compaction vehicles \$160 per hour (including travel time), 30-Yard Roll Offs \$160 per container for delivery and removal, and disposal for REL and Roll Offs at \$48 per ton (minimum 2 tons per REL vehicle or roll off).	\$167.65 per hour, per truck + \$40.00 ton disposal.	\$2,903.75 per quarter
Annual Festival of the Forks	20-Yard Roll Offs \$100 per container for delivery and removal, and disposal for at \$48 per ton (minimum 2 tons per roll off).	\$100.00 total for the event	\$0; included at no add'l charge
Municipal Buildings Service	Containers (2 to 6-yard capacity) charged at \$60 per container per month for once-a-week service. Additional services may be available upon request.	No Cost	\$0; included at no add'l charge

City of Albion
William L. Reiger Municipal Building
112 West Cass Street
Albion, Michigan 49224

Schedule of 2017 Regular City Council Meetings

The City Council of the City of Albion will meet in regular session in Council Chambers at 112 W. Cass Street beginning at 7:00 p.m. on the dates listed below. Study sessions and special meetings of the City Council will be posted in advance as needed. City Council regular sessions are held the first and third Mondays of each month except where noted below or in case of emergency.

This notice is published in accordance with the Albion City Charter and the Open Meetings Act requirements.

January 02, 2017	January 17, 2017 (Tuesday)
February 06, 2017	February 21, 2017 (Tuesday)
March 06, 2017	March 20, 2017
April 03, 2017	April 17, 2017
May 01, 2017	May 15, 2017
June 05, 2017	June 19, 2017
July 03, 2017	July 17, 2017
August 07, 2017	August 21, 2017
September 05, 2017 (Tuesday)	September 18, 2017
October 02, 2017	October 16, 2017
November 06, 2017	November 20, 2017
December 04, 2017	December 18, 2017

Jill Domingo
City Clerk

City of Albion
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May 01, 2017	May 15, 2017
June 05, 2017	June 19, 2017
July 03, 2017	July 17, 2017
August 07, 2017	August 21, 2017
September 05, 2017 (Tuesday)	September 18, 2017
October 02, 2017	October 16, 2017
November 06, 2017	November 20, 2017
December 04, 2017	December 18, 2017

Jill Domingo
City Clerk

CITY OF ALBION

Resolution # 2016-64

RESOLUTION TO SUPPORT UNIVERSAL INCOME TAX WITHHOLDING

- Whereas** At the time of enacting the City Income Tax Act (*Public Act 284 of 1964*)(CITA), a substantial majority of residents worked within their own city limits; however, demographic and census data show a substantial majority of residents of income tax-levying cities now work outside their home city;
- Whereas** CITA does not require employers situated outside of income tax-levying cities to withhold local tax from the paychecks of their employees who live in those cities and remit said resources to the jurisdictions;
- Whereas** Withholding is the most effective mechanism for income tax payments. Data show the city income tax collection rate is about 98 percent among taxpayers who are subject to withholding. Federal and state agencies have similar experience data.
- Whereas** Employers can help their employees to pay taxes through their withholding. Residents working outside our respective municipalities often fail to file income tax returns because they cannot pay the lump sum tax owed at the end of the year; employees would benefit from their employer withholding directly so they do not become delinquent and incur added penalty and interest;
- Whereas** Nearly all leaders of the 22 Michigan cities that levy an income tax agree that employers with annual payrolls of over \$500,000 and 10 or more employees should be required to withhold local income tax for employees residing in jurisdictions imposing a tax;
- Whereas** The proposed changes to state law would not raise income tax rates in any of the 22 cities with such a levy, but, rather, only seek to enhance overall collections and yield the locals' payment for services from residents who used them;
- Whereas** The proposed amendment to CITA would provide millions in additional income tax money for cities to expend on basic city services, including policing and fire protection;
- Whereas** The Michigan Department of Treasury supports this public policy endeavor, as does the Michigan Municipal League; **Now Therefore Be It**
- Resolved** That the honorable City Council of the City of Albion respectfully asks the Michigan Legislature to pass SB1127 to help all income tax-levying cities augment their collection rates; **Be It Further**
- Resolved** That Governor Rick Snyder expeditiously approve said legislation once it is presented to him for his signature into law; **and Be It Finally**
- Resolved** That a copy of this resolution be sent to Governor Snyder; legislative caucus leaders; members of the House and Senate Local Government committees; members of the House

and Senate Government Operations committees; members of the House Tax Policy Committee; and members of the Senate Finance Committee.

Council Member _____ moved, supported by Council Member _____, to approve the following resolution

I hereby certify that the above resolution was adopted on November 7, 2016, in a regular session of the Albion City Council, and this is a true copy of that resolution.

Ayes _____

Nays _____

Absent _____

Jill Domingo, Clerk

November 7, 2016

MICHIGAN LEGISLATURE(www.legislature.mi.gov)
 Printed on Monday, October 31, 2016
 Michigan Compiled Laws Complete Through PA 313 of 2016

Senate Bill 1127 (2016) rss

(Original Content Same As House Bill 4829)

Sponsor

Goeff Hansen

(click name to see bills sponsored by that person)

Categories

Individual income tax: city; Cities: income tax; Labor: hours and wages;

Individual income tax; city; reverse commuter withholding and administrative procedures for taxes administered by the state; require and revise. Amends secs. 6 & 9, ch. 1 & sec. 51, ch. 2 of 1964 PA 284 (MCL 141.506 et seq.).

Bill Documents

Bill Document Formatting Information

[x]

The following bill formatting applies to the 2015-2016 session:

- New language in an amendatory bill will be shown in **BOLD AND UPPERCASE**.
- Language to be removed will be ~~stricken~~.
- Amendments made by the House will be blue with square brackets, such as: [House amended text].
- Amendments made by the Senate will be red with double greater/less than symbols, such as: <<Senate amended text>>.

(gray icons indicate that the action did not occur or that the document is not available)

Documents



Senate Introduced Bill

Introduced bills appear as they were introduced and reflect no subsequent amendments or changes.



As Passed by the Senate

As Passed by the Senate is the bill, as introduced, that includes any adopted Senate amendments.



As Passed by the House

As Passed by the House is the bill, as received from the Senate, that includes any adopted House amendments.



Senate Enrolled Bill

Enrolled bill is the version passed in identical form by both houses of the Legislature.

Bill Analysis

History

(House actions in lowercase, Senate actions in UPPERCASE)

Date ▲	Journal	Action
10/20/2016 SJ 68 Pg. 1729		INTRODUCED BY SENATOR GOEFFREY HANSEN
10/20/2016 SJ 68 Pg. 1729		REFERRED TO COMMITTEE ON GOVERNMENT OPERATIONS

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Legislature presents this information, without warranties, express or implied, regarding the accuracy of the information, timeliness, or completeness. If you believe the information is inaccurate, out-of-date, or incomplete or if you have problems accessing or reading the information, please send your concerns to the appropriate agency using the online Comment Form in the bar above this text.

SENATE BILL No. 1127

October 20, 2016, Introduced by Senator HANSEN and referred to the Committee on Government Operations.

A bill to amend 1964 PA 284, entitled
"City income tax act,"
by amending sections 6 and 9 of chapter 1 and section 51 of chapter 2 (MCL 141.506, 141.509, and 141.651), section 9 of chapter 1 as added by 1996 PA 478 and section 51 of chapter 2 as amended by 1982 PA 124.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 1

Sec. 6. ~~The~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE uniform city income tax ordinance does not apply to a person or corporation as to whom or which it is beyond the power of the city to impose the tax ~~therein~~ provided for IN THIS ACT. AN EMPLOYER LOCATED IN THIS STATE THAT HAS AN EMPLOYEE WHO IS A RESIDENT OF A CITY THAT IMPOSES A CITY INCOME TAX PURSUANT TO THIS ACT IS SUBJECT TO THAT CITY'S WITHHOLDING PROVISIONS FOR THAT EMPLOYEE EVEN IF THE

1 EMPLOYER IS NOT DOING BUSINESS IN THAT CITY OR DOES NOT MAINTAIN AN
2 ESTABLISHMENT IN THAT CITY. HOWEVER, IF THAT EMPLOYER PAID
3 \$500,000.00 OR LESS IN TOTAL WAGES IN THE IMMEDIATELY PRECEDING
4 CALENDAR YEAR AND HAS FEWER THAN 10 EMPLOYEES, THAT EMPLOYER IS NOT
5 REQUIRED TO WITHHOLD TAXES FROM THAT EMPLOYEE PURSUANT TO THE
6 CITY'S WITHHOLDING REQUIREMENTS.

7 Sec. 9. (1) For the 1996 tax year and each year after 1996, a
8 city that imposes a city income tax pursuant to this act may enter
9 into an agreement with the department of treasury under which the
10 department of treasury shall administer, enforce, and collect the
11 city income tax on behalf of the city.

12 (2) City income taxes, interest, penalties, and collection
13 fees collected under an agreement entered into pursuant to
14 subsection (1) shall be kept in the city income tax trust fund and
15 shall be paid to the city, except that an amount of the taxes
16 collected as determined in the agreement may be retained by the
17 department of treasury to cover the cost of collection and
18 administration and that amount shall be deposited into the state
19 general fund. The department of treasury shall not charge to or
20 collect from a taxpayer any amount not otherwise authorized by law
21 in conjunction with the collection of city income tax pursuant to
22 an agreement entered into pursuant to this section.

23 (3) If the city enters into an agreement under subsection (1),
24 the agreement shall include provisions that relate to all of the
25 following:

26 (a) The development of and distribution of forms required by
27 the agreement and the ordinance under chapter 2.

1 (b) The processing of all payments.

2 (c) Enforcement procedures.

3 (d) Administrative and legal costs.

4 (e) Data exchange.

5 (f) Transfer and payment of funds.

6 (g) Termination of the agreement by either party.

7 (h) Any additional provisions as appropriate.

8 (4) IF THE CITY ENTERS INTO AN AGREEMENT UNDER SUBSECTION (1),
 9 THE DEPARTMENT SHALL ADMINISTER, ENFORCE, AND COLLECT THE CITY
 10 INCOME TAX ON BEHALF OF THE CITY PURSUANT TO 1941 PA 122, MCL 205.1
 11 TO 205.31. IF THE PROVISIONS OF 1941 PA 122, MCL 205.1 TO 205.31,
 12 AND THIS ACT OR ANY ORDINANCE OF THE CITY CONFLICT, THIS SUBSECTION
 13 APPLIES AND THE DEPARTMENT SHALL ADMINISTER THE TAX PURSUANT TO
 14 1941 PA 122, MCL 205.1 TO 205.31.

15 CHAPTER 2

16 Sec. 51. (1) An employer doing business or maintaining an
 17 establishment within the city shall withhold from each payment to
 18 the employer's employees on and after the effective date of this
 19 ordinance, AND AN EMPLOYER REQUIRED TO WITHHOLD UNDER SECTION 6 OF
 20 CHAPTER 1 SHALL WITHHOLD FROM EACH PAYMENT TO THE EMPLOYER'S
 21 EMPLOYEES WHO ARE RESIDENTS OF A CITY THAT IMPOSES A CITY INCOME
 22 TAX ON AND AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
 23 ADDED THIS LANGUAGE, the tax on their compensation subject to the
 24 tax, after giving effect to exemptions, as follows:

25 (a) Residents.

26 (i) At a rate equal to the rate set by ordinance to be levied
 27 against resident individuals under this ordinance, but not to

1 exceed 3%, of all compensation paid to the employee who is a
2 resident of the city, if the employee is not subject to withholding
3 in any other city levying the tax.

4 (ii) At a rate equal to the difference in the percentage rate
5 of tax on resident individuals as set by ordinance to be levied
6 under this ordinance less the percentage rate of tax levied by any
7 other city in which the employee works, on all compensation earned
8 by the resident in another city.

9 (b) Nonresidents. At a rate equal to the rate set by ordinance
10 to be levied under this ordinance on nonresidents but not to exceed
11 50% of the percentage rate imposed on resident individuals of the
12 compensation paid to the employee for work done or services
13 performed in the city designated by the employee as the employee's
14 predominant place of employment. The withholding rate shall be
15 applied to the percentage of the employee's total compensation
16 equal to the employee's estimated percentage of work to be done or
17 services to be performed in the city for that employer, but no
18 withholding shall be required if the estimated percentage of work
19 is less than 25%.

20 (2) An employer withholding the tax is deemed to hold the tax
21 as a trustee for the city.

22 (3) An employer who is required to withhold and who fails or
23 refuses to deduct and withhold is liable for the payment of the
24 amount required to be withheld. The liability shall be discharged
25 upon payment of the tax by the employee but the employer is not
26 relieved of penalties and interest provided in this ordinance for
27 this failure or refusal.

Resolution #2016-65

A RESOLUTION TO APPROVE ALBION DEPARTMENT OF PUBLIC SAFETY LEASE OF VEHICLE WITH FORD CREDIT

Purpose and Finding: The Albion City Council approved Resolution #2016-45 to accept the USDA grant of \$25,000 towards the purchase of an ADPS vehicle. A rate has been negotiated for the lease for the local match that will allow the payments to spread over 2 years. Given that this expenditure exceeds \$5,000.00, council approval is required pursuant to Ordinance 2-384.

Council Member _____ moved, supported by Council Member _____, to approve the following resolution.

RESOLVED, that the City of Albion hereby authorizes the lease in the amount of \$44,325.24 for a 2017 Ford Police Interceptor Utility Vehicle through Ford Credit, for a period of 2 years.

BE IS FURTHER RESOLVED, that the City Manager is hereby authorized to sign the lease agreement on behalf of the City.

Date: November 7, 2016

Ayes: _____

Nays: _____

Absent: _____

I certify that this resolution was adopted by the City Council of the City of Albion on November 7, 2016.

Jill Domingo
City Clerk



FORD CREDIT

**Lease/Purchase Financing Proposal
City of Albion, Schedule: 9051101**

October 24, 2016

Quantity	Description	Price
1	2017 Ford Police Interceptor Utility - Signature Ford	\$28,333.00
1	Graphics - Glenn Line Design LLC	\$425.00
1	Police Equipment - Cruisers West LLC	\$15,022.24

Total Amount Financed*	Number of Payments	Payment Timing	APR	Payment Factor	Payment Amount
\$44,325.24	1	Annual in Advance	6.00%	0.545437	\$20,824.00
\$44,325.24	2	Annual in Advance	6.00%	0.545437	\$12,818.44

* \$545.00 underwriting fee included

EXPIRATION DATE: 12/15/2016

This proposal, until credit approved, is not a commitment by Ford Credit Municipal Finance. It has been prepared assuming that the lease qualifies for Federal Income Tax Exempt Status for Ford Credit Company LLC under Section 103 of the IRS Code. Financing is subject to credit review and approval of acceptable documentation by Ford Credit Municipal Finance.

MUNICIPALITY REQUIREMENTS

In order for us to proceed with the approval process, please fax to (313) 390-3783 or email jdoty@ford.com the following items:

- Most recent audited financial statements.
- A copy of your Form 3372
Tax-Exempt Certificate.
- Copy of Board Resolution or Meeting Minutes showing proof of appropriation.
- Completed Municipal Finance Application (attached).

Note: Please forward the **signed original** Municipal Finance Application by mail to Ford Credit Municipal Finance, 1 American Road-MD 7500, Dearborn, MI 48126.

DEALERSHIP REQUIREMENTS

In order for Ford Credit Municipal Finance to prepare the Lease/Purchase Financing documentation for the municipality, the following items are required from Signature Ford Lincoln Mercury:

- Vehicle vin number(s) and/or equipment serial number(s).
- Itemized list of equipment, if applicable.
- On dealership letterhead, provide the following wire instructions, if not already on file in the following format:
 - dealership's bank name,
 - dealership's bank 9-digit ABA routing number,
 - dealership's bank account number,
 - signature and title of person providing the information.

Note: You should not deliver any of the vehicle(s) and/or equipment to the municipality until credit has been approved and we receive our fully executed contract and first payment, if applicable.

Ford Motor Credit Company ("FMCC") is providing the information contained in this document for discussion purposes only in connection with a proposed arm's length commercial leasing transaction between you and FMCC. FMCC is acting for its own interest and has financial and other interests that differ from yours. FMCC is not acting as a municipal advisor or financial advisor to you, and has no fiduciary duty to you. The information provided in this document is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC. FMCC is not recommending that you take an action and you should discuss any actions with your own advisors as you deem appropriate.

Ford Motor Credit Company
Municipal Finance Application Schedule #9051101
October 24, 2016

1. Complete Legal Name of Municipality ("Lessee") City of Albion
2. 9 Digit Federal ID Number 38 - 6004655
3. Department Using Vehicle/Equipment Department of Public Safety
4. County Calhoun
5. Street Address, City, State & Zip 112 W Cass St, Albion, Michigan 49224
6. Billing Address (if different from above) _____
7. Accounts Payable Contact Person Eric Tobin
Accounts Payable Phone Number (517) 629-7866
Accounts Payable Email Address etobin@cityofalbionmi.gov
8. How will Vehicle/Equipment be used Police Patrol Car
9. How many units currently perform this function 6
10. Does this equipment replace previous equipment X Yes, previous equipment purchased in 2006
____ No, reason for new equipment _____
11. Self Insured: No ☒ Yes ☐
If no, Name & Phone # of Insurance Provider Meadowbrook
1-800-752-7477 No. MML001325323
12. Will the proposed payments come from the General Fund X Yes
____ No, please list fund _____
What is the Fund Balance \$ 1,162,258 as of 12-31-2015
13. What is your Fiscal Year-End 12 - 31 - 2015
PLEASE SEND A COPY OF YOUR MOST RECENT AUDITED FINANCIAL STATEMENTS
14. Have the funds been appropriated for the current year X Yes _____ No _____
PLEASE ATTACH A COPY OF THE BOARD RESOLUTION OR MEETING MINUTES
15. Attorney's Name Cullen Harkness Attorney's Telephone No. 517-381-2461

CERTIFICATION

I, the undersigned, certify that:

1. Lessee has followed all required purchasing procedures regarding the award of the proposed contract.
2. Lessee has the requisite authority to execute, deliver and perform its obligations under the proposed contract.
3. The execution, delivery and performance by Lessee of the proposed contract have been duly authorized by all necessary actions on its behalf.

THE SIGNATURE LINE BELOW IS TO BE SIGNED BY A PERSON AUTHORIZED BY THE GOVERNING BODY TO EXECUTE THE PROPOSED CONTRACT ON BEHALF OF THE LESSEE:

Print Name AND Title of Authorized Official to sign Contract: <u>Sheryl Mitchell, City Manager</u>	Signature of Authorized Official to sign Contract:
---	--

PLEASE FAX TO 313-390-3783 AND MAIL ORIGINAL TO
FORD MOTOR CREDIT COMPANY
1 AMERICAN ROAD-MD7500
DEARBORN, MI 48126

CITY MANAGER'S REPORT

- **MML – Newly Elected Officials Training.** This training is being offered on November 16, 2016, 5:30pm-9pm, by the Michigan Municipal League at 208 N. Capitol, Lansing, MI. Cost \$90 per person. Does Council want this information shared with the incoming Mayor/Council?
- **Comprehensive Master Plan.** The Planning Commission is holding the Public Hearing on Monday, November 28th at 7pm and will be voting on their recommendation to the City Council. Council is holding a special meeting on **Wednesday, Nov. 30, 2016 at 6:30pm** to consider the adoption of Phase 1 of the Comprehensive Plan.
- **2017 Budget Hearing – Monday, December 5, 2016.**
 - **Monday, Nov. 14 @ 7pm** - proposed budget study session
 - **Other dates:** between Nov. 16 and Nov. 30th?
- **COUNCIL EVENT – Thursday, Nov. 10, 2016 at 7pm** in Council Chambers. The DDA, Planning Commission, EDC, Chamber and local businesses are invited to hear a special presentation from Emily Petz from the Michigan Economic Development Corporation on incentives and programs available to those interested in starting or expanding their businesses in Albion. There will also be the introduction of new development project in the downtown corridor.
- **Premier – City Hall Art Exhibit – Wednesday, Nov. 16, 5pm-7pm** in City Hall. Through a collaboration with Albion College Art Professor Michael Dixon, the artwork of college students will be displayed in City Hall. The Council and public are invited to a reception for the first artist Amanda Kendrick.
- **Bike Friendly Initiatives** – A work group is being formed, with a first meeting scheduled for Wednesday, Nov. 9th at 1pm.
- **Celebrity Soup Supper – Friday, Nov. 11 from 5pm-8pm.** Fundraiser for Holland Park at Albion Community Center in the Marshall Opportunity School, 225 Watson St. Cost: \$5 for adults; \$3 for children and FREE for Veterans.
- **City Hall Offices Closed:**
 - **Friday, November 11, 2016** – Veteran's Day
 - **Thursday-Friday, November 24-25, 2016** – Thanksgiving Holiday



Training Seminar November 2016

michigan municipal league

You Won! Now What? Newly Elected Officials Training

November 16, 2016

This newly elected officials training consists of core topics that will help educate first-time elected officials, as well as seasoned officials, on the basic functions they will need to know in their roles as public leaders. Topics include: introduction to League services; an overview of basic local government; roles and responsibilities of elected officials; Open Meetings Act (OMA); Freedom of Information Act (FOIA); lobbying 101; and a panel discussion with seasoned elected officials.

Cost Per Person

League Member, \$90

League Nonmember Government, \$145

About the Speakers

League Staff & Experienced Elected Officials

Agenda

Check-in & light dinner 5:30 pm; Begin 6:00 pm; Adjourn 9:00 pm

Location Information

Michigan Municipal League Capitol Office
208 N Capitol Ave., 1st floor
Lansing, MI 48933
800-653-2483

For directions to this location, please visit www.mml.org.

Education Credits Approved for This Program

3 EOA

You Won! Now What? Newly Elected Officials Training

November 16, 2016 - Lansing

Cost: League Member, \$90; League Nonmember Government, \$145

Name of Municipality or Firm:

Billing Address/State/Zip:

Phone #:

Fax #:

Name	Title	Email*
1.		
2.		
3.		
4.		

Payment Info: Cost \$ _____ x Quantity ____ = Total Due: \$ _____

Cancellation Policy

All cancellations must be submitted in writing either by fax, 734-669-4223 or email, registration@mml.org. No refunds will be given for cancellation requests received after 11/10/16. For a full list of registration policies, please visit www.mml.org, then click on training/events.

To Register

1. If paying by credit card, register online by visiting www.mml.org. On the home page located on the right hand side under "My League," click on "View and Register for Events."
2. If paying by check, please mail this form along with a check payable to the Michigan Municipal League, P.O. Box 7409, Ann Arbor, MI 48107-7409.

(16K01)

CELEBRITY SOUP

Supper

A Fundraiser for Holland Park



Adults: \$5.00
Children (under 12): \$3.00
Veterans: Free

Meet Your Local Celebrities!

Bring Your Appetite!

Friday, November 11, 2016 5pm - 8pm

Albion Community Center at Marshall Community
School

225 Watson Street; Albion

THE ALBION RECREATION DEPARTMENT

OPEN GYM SCHEDULE

ALBION COMMUNITY CENTER

LOCATED @ THE MARSHALL OPPORTUNITY HIGH SCHOOL

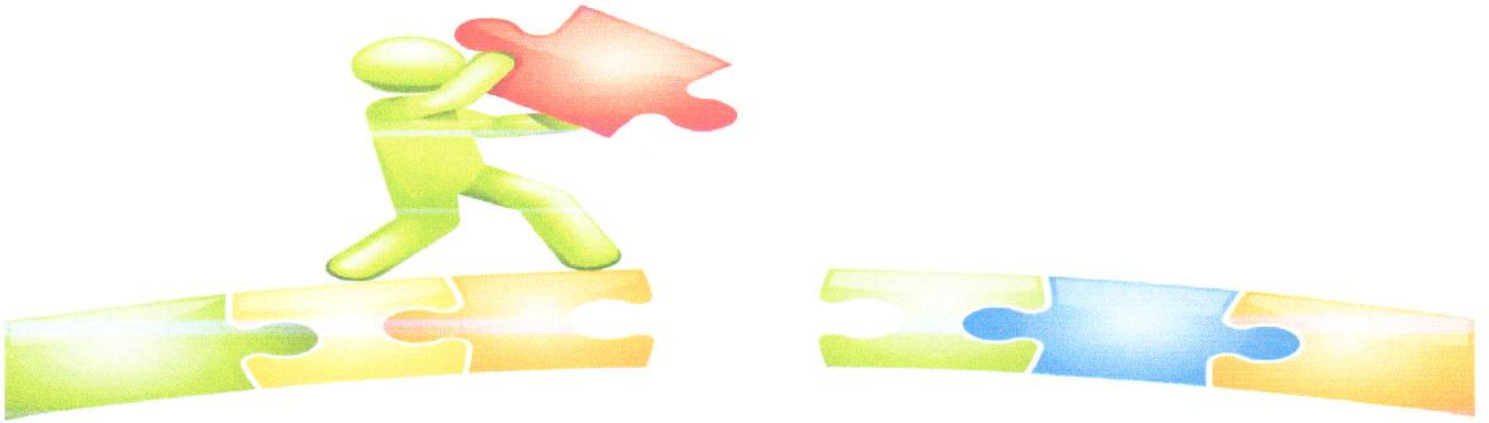
November 2016

NOVEMBER	GRADES 5-8	GRADES 9-12
Nov. 2, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 3, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 7, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 8, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 9, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 10, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 14, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 15, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 16, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 17, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 21, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 22, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 23, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 28, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.
Nov. 29, 2016	Adults Only – 5:00 p.m. – 9:00 p.m.	
Nov. 30, 2016	5:00 p.m. - 7:00 p.m.	7:00 p.m. - 9:00 p.m.

There will be a \$1.00 Fee charged per day.

The Albion Recreation Department

Bridging the Gap Program



1/2 DAY AND EARLY RELEASE SCHEDULE

Open Gym

ALBION COMMUNITY CENTER

In the

MARSHALL OPPORTUNITY HIGH SCHOOL

Open to all students grades 5—12 who reside in the City of Albion and the
immediate surrounding areas.

NO CHARGE

NOVEMBER

Nov. 1, 2016
Nov. 10, 2016
Nov. 11, 2016
Nov. 23, 2016
Nov. 24, 2016
Nov. 25, 2016

Grades 5-8

12:00 p.m. – 2:00 p.m.
12:00 p.m. – 2:00 p.m.
12:00 p.m. – 2:00 p.m.
10:00 a.m. – 12:00 p.m.
Thanksgiving – Closed
10:00 a.m. – 12:00 p.m.

Grades 9-12

2:30 p.m. – 4:30 p.m.
2:30 p.m. – 4:30 p.m.
2:30 p.m. – 4:30 p.m.
12:30 p.m. – 2:30 p.m.

12:30 p.m. – 2:30 p.m.

DECEMBER

Dec. 6, 2016
Dec. 21, 2016
Dec. 22, 2016
Dec. 23, 2016
Dec. 26, 2016
Dec. 27, 2016
Dec. 28, 2016
Dec. 29, 2016
Dec. 30, 2016

12:00 p.m. – 2:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.

2:30 p.m. – 4:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.

JANUARY

Jan. 16, 2017
Jan. 27, 2017

12:00 p.m. – 2:00 p.m.
12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.
2:30 p.m. – 4:30 p.m.

FEBUARY

Feb. 16, 2017
Feb. 17, 2017
Feb. 20, 2017

12:00 p.m. – 2:00 p.m.
12:00 p.m. – 2:00 p.m.
10:00 a.m. – 12:00 p.m.

2:30 p.m. – 4:30 p.m.
2:30 p.m. – 4:30 p.m.
12:30 p.m. – 2:30 p.m.

MARCH

Mar. 7, 2017

12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.

APRIL

Apr. 3, 2017
Apr. 4, 2017

10:00 a.m. – 12:00 p.m.
10:00 a.m. – 12:00 p.m.

12:30 p.m. – 2:30 p.m.
12:30 p.m. – 2:30 p.m.

April

Apr. 5, 2017

Apr. 6, 2017

Apr. 7, 2017

April 14, 2017

Grades 5-8

10:00 a.m. – 12:00 p.m.

10:00 a.m. – 12:00 p.m.

10:00 a.m. – 12:00 p.m.

10:00 a.m. – 12:00 p.m.

Grades 9-12

12:30 p.m. – 2:30 p.m.

12:30 p.m. – 2:30 p.m.

12:30 p.m. – 2:30 p.m.

12:30 p.m. – 2:30 p.m.

MAY

MAY 2, 2017

12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.

JUNE

June 9, 2017

12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.

June 12, 2017

12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.

June 13, 2017

12:00 p.m. – 2:00 p.m.

2:30 p.m. – 4:30 p.m.